They take only 4.59 pct. of depressed market

Diesel sales plunge during 1982

Continued from Page 1

age points during the period — from 63.55 percent in '81 to 53.13 percent in '82.

• GM's lead diesel division, Oldsmobile, suffered a 45.87 percent drop in sales. Oldsmobile sold 87,015 diesel cars during the '82 model year, down from 160,738 during '81. Olds debuted a new 4.3-liter diesel V-6 for the '82 model year in its Cutlass Supreme (rear-drive) and added that option to the new Cutlass Ciera (front-drive) in March.

The other GM divisions also reported diesel-sales losses, with Pontiac reporting the largest decrease during the period. Pontiac discontinued its B-body standard-size car for '82, its most popular diesel-optioned model.

Only 5.54 percent of total GM car sales during the '82 model year were diesel-powered, compared with a 8.45-percent diesel-installation rate during the '81 model year.

Volkswagen, which has just completed a disastrous '82 model year, recorded a 41.90 percent drop in diesel sales during the period. VW sold 67,153 cars during 1982, down from 115,587 during '81. Audi diesel sales remained constant during the '82 season, buoyed by the company's new-for-'82 4000 diesel and 5000 turbo-diesel models.

Combined, VW and Audi accounted for 20.90 percent of the '82 model year diesel market, down 1.91 percentage points from 22.81 percent of the '81 market.

Diesel models accounted for 38.92 percent of all Volkswagen sales during the '82 model year, compared with 46.15 percent of all sales during the 1981 model year. VW's slump can be attributed to slow Rabbit sales. During the '82 model year, the diesel installation rate in the Rabbit was 51.8 percent, compared with 57.5 percent in '81.

More telling, however, is a calendar-year comparison. To-date, the Rabbit installation rate has been running at 43.5 percent. During calendar '81, it was 59.1 percent.

While heavyweights GM and VW/Audi were losing, most of the smaller import manufacturers were gaining. Only Peugeot recorded a drop in diesel sales during the '82 model year, but it still increased its market share.

Mercedes-Benz sold 50,484 diesel-powered cars during the '82 model year, up 10.60 percent from 45,643 sold during the '81 model year period. More than 78 percent of all Mercedes-Benz sales during the '82 model year were diesel cars, up from 76.64 percent in '81. During September of this year, the Mercedes diesel rate was 80.4 percent.

Year-to-date sales comparisons for Volvo, Datsun and Isuzu are less indicative of the overall trend because Volvo did not have a 1981-certified diesel (it sold 1980 models), and Datsun and Isuzu introduced their diesels partway through the '81 model year.

Isuzu began selling diesel-powered I-Mark models in April of 1981. During its first full model year, 1982, Isuzu sold 12,075 diesel cars and captured 3.42 percent of the market.

Datsun, which introduced its diesel Maxima sedan in early May of 1981, sold 11,600 of that model during the '82 model year, good for 3.28 percent of the market.

Volvo sold 6,618 diesel cars during 1982 and grabbed 1.87 percent of the market.

Diesel percentages of makers' sales

	M. Y. 1982	M. Y. 1981
Cadillac	10.11	18.24
Buick	5.01	6.55
Pontiac	2.23	6.58
Chevrolet	2.55	3.18
Oldsmobile	11.46	18.21
GM Total	5.54	8.45
VW	38.92	46.15
Audi	14.38	13.88
VW/Audi Total	33.68	40.89
Mercedes-Benz	78.81	76.64
Peugeot	73.87	82.52
Volvo	9.26	4.62
Datsun	2.57	0.99
Isuzu	79.61	49.50
Grand Total	4.59	5.98

Sales of diesel-powered new cars in the U. S.

	Model Year 1982	Percent Share of Market	Model Year 1981	Percent Share of Market
Cadillac	23,973	6.78	41,309	7.70
Buick	35,062	9.92	49,500	9.23
Pontiac	10,316	2.92	39,578	7.38
Chevrolet	31,457*	8.90*	49,791*	9.28*
Oldsmobile	87,015	24.61	160,738	29.96
General Motors Total	187,823	53.13	340,916	63.55
Volkswagen	67,153	19.00	115,587	21.55
Audi	6,735	1.90	6,772	1.26
VW-Audi Total	73,888	20.90	122,359	22.81
Mercedes-Benz	50,484	14.28	45,643	8.51
Peugeot	11,019	3.12	13,189	2.46
Volvo	6,618	1.87	3,012	0.56
Datsun	11,600	3.28	4,683	0.87
Isuzu	12,075	3.42	6,638	1.24
TOTAL	353,507	.....	536,440	.....

*Estimated
Model year is Oct. 1 to Sept. 30.

GM notifies UAW officials of jobs it plans to eliminate

By Marjorie Sorge
Labor Editor

General Motors has sent letters to several UAW locals indicating that jobs in their plants will be eliminated because of outsourcing.

The GM announcement angered UAW Vice President Owen Bieber, director of the GM Department, who said outsourcing has been a "constant irritant" to the union.

Outsourcing is the farming out of work to companies, often non-union, in the U.S. or abroad.

Bieber said some of the situations have been resolved without outsourcing taking place, but others have not. He would not name the plants but said some are in Michigan.

The UAW wants the outsourcing stopped, and company and union officials addressed the problem at a meeting of the 11-member GM bargaining team last Thursday (Oct. 14). Alfred S. Warren Jr., GM labor relations vice president, spoke at the meeting which was held at the GM Tech Center.

Both GM and union officials said it is not uncommon for the union to meet with company officials. A GM spokesman said the meeting was arranged about a month ago so Warren could meet new members of the UAW's GM Council. He said Warren discussed outsourcing and the state of the industry.

• Under the GM-UAW contract, there is a 24-month moratorium on plant closings related to outsourcing. Plants can still be closed for volume-related reasons. The pact also required GM to give a 60-day written notice if outsourcing from a plant will result in the layoff of 10 percent or more of the workforce or 100 employes, whichever is more.

Bieber also confirmed that GM has said it may close its Fisher Body Plants 20, 40 and 41 in Detroit. Plant 20 builds Cadillac limousine bodies and Cadillac parts; Plant 40 makes tooling aids, and Plant 41 is a storage area. About 900 active workers could be affected.

Meanwhile, Bieber also said an announcement will be made before Oct. 27 naming the four GM facilities which would be pilot plants for "lifetime job security." The program was negotiated under the recent UAW-GM agreement and provides that reductions in the workforce be handled by attrition or alternative work assignments either within GM or in external operations.

breaking news

Continued from Page 1

mond E. Majerus, secretary-treasurer. Stephen P. Yokich, vice president and director of the skilled trades and farm implement departments, has not officially declared his candidacy.

Graham heads Ford auto components group

DEARBORN.—Robert C. Graham, 57, has been appointed vice president—automotive components for Ford Motor Co.'s Diversified Products Operations. He will direct the Climate Control Division, Electrical and Electronics Division, Casting Division, Glass Division, Plastics, Paint and Vinyl Division and Philco-Brazil. Graham has been on medical leave since June. Before that, he was general manager of Ford Latin America. He has been a Ford vice president since 1979.

Chrysler mum, but BBD&O seems to be Dodge agency

By Joseph Bohn
Marketing Editor

Chrysler Corp. declined to confirm BBD&O as its new advertising agency on the Dodge account last week, although it appears to be a foregone conclusion.

With N. Y. Ayer and Ogilvy & Mather having taken themselves out of the running, there appear to be no other contestants.

A rumor that Gray Advertising was in the contest, sparked by Gray's Bruce McRitchie hiring two top Kenyon & Echkardt Dodge truck account people, was flatly denied by McRitchie.

McRitchie, senior vice president and general manager of Grey's Detroit office, said his agency had had no conversation with Chrysler and was happy with its American Motors account. He hired John Miley and David Meyer away from K&E on the basis of having worked with them before.

If BBD&O has been officially selected, its top executives denied any knowledge of it.

Ogilvy & Mather bowed out from vieing for the $100 million Dodge account by saying it wanted to develop "the current car accounts that we already serve in various countries around the world."

Ogilvy's $10 million Peugeot account in the U. S. wouldn't have posed any conflict. But its $30 million overseas Ford account did.

So BBD&O, which had the Dodge business for 38 years before losing it to K&E in 1979, appears to have been all but officially selected as the new agency.

There were reports that one of its top officials had begun tentative recruiting of talent in Detroit.

BBD&O had 120 employes in Detroit on Dodge and would "definitely" staff a full-service office here again, were it to land the account, said officials.

There has been talk of bringing "the old crew" back together again. It's doubtful that Jim Berline, who now has his own agency (Yaffe Berline), would come back. But Tom Clark, former regional manager of the Detroit office and current executive vice president at BBD&O, would probably return to Detroit.

BBD&O has carefully maintained its contacts in Detroit, waiting for just the present sort of opportunity.

Earlier this year, it rehired Dick Johnson, former executive director on Dodge, who reportedly pitched one Chrysler official as early as several months ago.

But situation remains grim

Harvester reports some progress

Continued from Page 2

into equity and to reduce interest payments.

To achieve that maximum debt to equity conversion, the company also must secure $50 million in concessions from its suppliers, $20 million in concessions from its dealers and an additional concession of nearly $50 million from IH debenture holders who will be asked to swap old debt for a lesser amount of new debt with attached warrants for the purchase of IH stock.

There also is no assurance that IH will not find it necessary to again approach its lender group for another revision at some point in the 1983 fiscal year, which begins Nov. 1, if it finds itself unable to live up to the new, reduced loan covenants which stipulate minimum levels for net worth, cash flow and other financial indicators.

That task would be difficult if not impossible.

"We wanted to get out a year ago," said a vice president of one of the IH lenders. "It is a losing situation. At some point the banks will have to say 'No.'

"It is essential the lender group remain together because if one small bank balks, it would force Harvester into bankruptcy. Either we all hang together or we all hang separately."

Jouppi, who was a court-appointed consultant in the White Motor Corp. Chapter 11 proceedings, said that balance sheet analysis reveals IH is "on the brink of disaster," but that if it can reach an accommodation with its lenders it has certain "supra" balance sheet items, like goodwill, which allow the company to work itself out of the situation.

He said he does not like Chapter 11 as a means of solving problems, but conceded Chapter 11, "or even Chapter 13 bankruptcy" could result as a worst case scenario.

"At some point," he said, "you have to ask if it's 'go' or 'no-go.' I say 'go.'"

Lustgarten, who has been consistently lecry of IH's long-term survival chances, agreed that at some point it must be decided "if the company is worth salvaging."

He said that if the company can't get the necessary supplier concessions or if the shareholders do not approve the plan on Oct. 28, IH "will have no alternative" but to file for reorganization under Chapter 11. That doesn't necessarily mean the end, he said, noting that Penn Central "operated under Chapter 11 for 10 years" and that other companies have survived it.

"We've known for six months that Harvester has a bankruptcy attorney on retainer," Lustgarten said. "The new management would have been foolish not to have put together a bankruptcy scenario."

Symposium scheduled

WASHINGTON. — Experts from the U. S., Sweden, France, Australia and Great Britain will weigh solutions to the problem of drunk driving Nov. 17-18.

They will be attending the International Symposium on Alcohol and Driving at the Shoreham Hotel.

Mack's 'finest achievement'

Years of research and development work and millions in engineering dollars make the new Ultra-Liner Class 8 heavy truck the company's "finest achievement to date," according to Mack Trucks, Inc.

New Mack COE 'bred for the '80s and beyond'

By Jack Walsh
Truck Editor

ALLENTOWN, Pa. — An all-new, high-cabover series, to be marketed as "The Truck Bred for the Eighties and Beyond," has been introduced by Mack Trucks, Inc.

The new Ultra-Liner, which carries the MH model designation, will be available in limited volume starting in January, according to Garner L. Davis, Mack executive vice president of marketing. Production is set to begin next month.

He said the MH series will replace the F-model cabover, phased out of production in 1981 after a 19-year run of more than 70,000 units. Mack will continue to offer its Cruise-Liner high cabover until a phaseout scheduled for completion in 1984.

The Ultra-Liner's cab design is its most notable feature, according to Robert F. Zalokar, senior vice president of product and engineering.

For occupant protection, he said, an inner structural cage of galvanized steel, aluminum and high-strength fiberglass reinforces the Maxi-Glas outer cab shell.

• Zalokar described Maxi-Glas as a combination of specially formulated glass-reinforced composites specifically tailored for heavy-duty truck-cab applications.

"Not only does Maxi-Glas defy rust and corrosion," he said, "but it also provides excellent thermal and acoustic insulation, is easily repaired if damaged and has enabled Mack engineers to keep overall weight to a minimum."

The cab has a definite upward slope of its roofline for improved aerodynamics. The cab is four or five inches higher than the Cruise-Liner's and is somewhat heavier due to added features to improve occupant safety.

Zalokar said a simplified and fully illuminated entry/exit system combines extra-large traction-grip steps and ladder-type grab rails, with an additional grab rail at the rear of the cab.

Other highlights are a floodlight mounted on the rear cab wall for nighttime trailer connections, large glass areas for greater visibility, and exterior

Continued on Page 16, Col. 1

Jacobson elected RVIA chairman; 8 directors named

CHANTILLY, Va. — Norm Jacobson, vice president, Contempo Enterprises, North Hollywood, Calif., has been elected chairman of the Recreation Vehicle Industry Assn. He succeeds Elden Smith, RV Group vice president, Fleetwood Enterprises, Inc., Riverside, Calif.

Gene Stout, Coachmen Industries, Inc., Middlebury, Ind., was elected first vice chairman, and John Casey, president, Shurflo, Anaheim, Calif., was elected second vice chairman.

Charles Willibrand, president, Play-Mor Trailers, Inc., Westphalia, Mo., was re-elected secretary, and Warren Jones, president, Hehr International, Inc., Los Angeles, was renamed treasurer.

These officers, along with David J. Humphreys, RVIA president, and Smith, ex-officio chairman, form the Executive Committee for 1983.

Eight industry officials were either elected or re-elected to the national board, including Jacobson to fill an at-large seat,

Continued on Page 16, Col. 5

Comfortable by design

Mack Trucks, Inc., says the all-new cab of the Ultra-Liner Class 8 heavy diesel is "quiet, spacious and comfortable by design." This is the top-of-the-line interior decor.

truck industry news

Domestic compacts spark increase of 4.6 percent

'82 model-year sales up

After a slow start in the first three months, retail sales of new trucks of all types in the U. S. gained momentum in the second quarter with wide acceptance of the new domestic compact pickups and ended the 1982 model year with a slight advance over the previous year.

According to preliminary reports, the nation's franchised dealers and factory outlets retailed 2,422,506 trucks during the model year, an increase of 4.6 percent over the year-earlier 2,315,571.

It was the first time since 1978 that model-year truck sales have exceeded the year-earlier total. In the 1978 model year, retail deliveries hit an all-time high of 4,028,294 units.

Unlike a year ago, when sales were down in all three market segments, there were impressive gains in one of the three—light trucks — and a relatively small drop in the heavies.

In the period starting Oct. 1, 1981, and ending Sept. 30, 1982, light-truck sales totaled 2,228,815 units, a gain of 7.2 percent over the previous year's 2,315,571. Compact pickups set the pace throughout the year.

• During the model year, dealers retailed 684,353 compact pickups — both domestic and Japanese imports — an increase of 43.1 percent over the 478,241 units sold in the 1981 model year.

Although the imports had a greater share of this market for the 12-month span, their dominance has ceased since the introduction of the domestic compacts.

During the model year, 386,224 imported compacts — Toyota, Datsun, Mazda, Isuzu, Ford Courier, Chevrolet LUV, Dodge Ram 50 and Plymouth Arrow — were sold in the U. S., a decline of 12.5 percent from the previous year's 441,454.

On the other hand, sales of the domestic small pickups —

Continued on Page 16, Col. 1

Champion MHs for '83 redone 'from ground up'

DRYDEN, Mich.—Champion Home Builders Co. says its line of Champion Class A motor homes for 1983 has been "re-engineered from the ground up," featuring an all-new sloped, fiberglass front end for improved aerodynamics.

Other exterior highlights include an automotive-style grille and a new, large curved windshield. Sides and rear end are made of aluminum with a baked-on enamel finish that color-matches the front end.

David C. Struck, recreation-vehicle sales vice president, called the new exterior design "a real departure from our previous models" and said dealer reaction "has been extremely positive."

The 1983 Champion is "a mid-priced full-size motor home with the exterior look of more expensive models," he added.

The interior has a number of modifications, Struck said, including a redesigned instrument panel, engine cover and overhead console. The console features a built-in optional weather station, generator hour meter and AM/FM stereo with tape deck.

Use of interior paneling with a wood-grain look has been minimized. Instead, vinyl-covered wall areas in the front lounge are pastel-colored to give a brighter, roomier look to the living area, Struck said.

Cabinet-door fronts also are pastel-colored to match interior walls, and floor plans in all Champion models feature larger baths with full showers, he added.

Champion motor homes are built on Chevrolet chassis with a 454-cubic-inch V-8 engine with bodies in lengths of 25, 27, 30 and 33 feet. An 8.2-liter or 6.2-liter diesel engine is optional.

Shipments of RVs rise in August, eight months

August shipments of recreational vehicles from manufacturers to retail outlets dropped slightly from the July level, but were higher than the total for the same month in 1981.

During the month, according to Recreation Vehicle Industry Assn. statistics, manufacturer members delivered approximately 22,100 units of all types, an increase of 3.8 percent over the year-ago 21,300, but 3.1 percent below July's 22,800.

For the first eight months, shipments totaled approximately 180,700 units, an increase of 8 percent over the year-earlier 167,300. Towable units were the only market segment to show a decline from 1981 for the January-August period.

The Index of Consumer Sentiment in September, the RVIA reported, was 69.3, an increase of 3.9 points over the readings for both August and July. In September, 1981, the Index was 73.1.

In August, the number of all towable recreational vehicles shipped to dealers dropped 9.2 percent to about 7,600 units, compared with 8,300 in the same month a year ago.

The eight-month total was 75,700 units, off less than one-half a percent from last year's 76,000.

• Deliveries of travel trailers and truck campers were up for both the month and the January-August period, while folding camping trailers were down for August and the first eight months.

In August, manufacturers shipped 5,100 conventional and fifth-wheel trailers, an increase of .02 percent over the previous year's 5,000 units. The count through August was 1.5 percent higher, 46,800 versus 46,100.

Dealers received 500 truck campers during the month, up 25 percent from last year's 400 units. Through August, there were 4,300 truck-camper ship-

Continued on Page 46, Col. 1

Chevrolet tops Ford in model-year sales

WARREN, Mich.—Chevrolet simultaneously broke Ford's grip on the top spot in total truck sales and the foreign dominance of the small-truck market during the 1982 model year.

With the new S-10 compact pickup making the difference, Chevrolet dealers sold 758,387 trucks during the 1982 model year, up 8.6 percent over the 1981 total of 698,100, and 3,846 more than Ford reported selling.

S-10 sales totaled 152,965, making Chevrolet the No. 1 nameplate in the small-truck market. Ford had been No. 1 in total model-year truck sales since 1979.

Champion gets all-new front end

Champion Home Builders Co., Dryden, Mich., says its new line of Champion Class A motor homes for 1983 has been re-engineered from the ground up, with an all-new sloped, fiberglass front end for improved aerodynamics.

Domestic compacts spark increase of 4.6 percent

'82 model-year truck sales climb

Continued from Page 14

Chevrolet S-10, Ford Ranger, GMC S-15, Dodge Rampage, Jeep Scrambler and Volkswagen — soared to 298,129 units, compared with only 36,787 the previous year. In the 1981 model year, however, only the Scrambler and Volkswagen were available.

The imported pickups accounted for 56.4 percent of the compact total in the 1982 model year, compared with 92.3 percent the year earlier. Through the first nine months of 1982, the imports' share was 52 percent. In the like period a year ago, it was 92 percent.

Sales of heavy trucks declined 8.3 percent during the model year, from 156,270 units a year earlier to 143,268. The mediums were down 37 percent to 50,423 units, compared with 80,003 the previous year.

After a small decline in August, retail sales rebounded in September with a sharp rise in light-truck deliveries. Dealers sold 219,338 trucks during the month, up 23.8 percent over last year's 177,125.

September deliveries of light trucks soared to 204,722 units, an increase of almost 29 percent over last year's 158,906 units. Heavies were off 17.1 percent, from 12,668 units in 1981 to 10,506. Mediums totaled only 4,110 units, down 26 percent from last year's 5,551.

Nine-month sales of all types of new trucks rose to 1,940,352 units, a gain of 9.3 percent over last year's 1,775,456. Light trucks were the only market segment to show an increase over 1981.

Through September, 1,794,972 light trucks had been retailed, an increase of 12.4 percent over the year-ago 1,597,017 units. Heavy trucks were down 7.4 percent to 109,400 units, compared with 118,086 last year, while the mediums were off 40.4 percent, from 60,353 units in 1981 to 35,980.

• In September, dealers sold 68,174 compact pickups, up 60.1 percent over the year-ago 42,590. The nine-month total was 567,296, a gain of 47.8 percent over the 383,765 units retailed in the like period in 1981.

Ford dealers sold 78,224 new trucks during the month, an increase of 29.1 percent over the year-earlier 60,574. The nine-month count was 610,245 units, up 6.6 percent over last year's 572,553.

September sales by Chevrolet dealers were 35.3 percent higher than a year ago, 65,344 versus 48,293. The January-September total climbed to 615,339 units, a gain of 15.5 percent over the year-earlier 532,580.

Dodge and Plymouth dealers retailed 19,766 units during the month, up 83.8 percent over the year-earlier 10,757. For the nine-month period, sales were up 32.3 percent to 190,588 units, compared with 144,024 last year.

GMC reported 14,962 retail sales in September, an increase of 23.5 percent over last year's 12,114. Through September, the total was 174,046, up 29.8 percent from the year-ago 134,065 units.

During the month, Big Three dealers retailed 178,296 trucks, a gain of 35.3 percent over last year's 131,738. The nine-month total was up 15 percent, from 1,383,222 last year to 1,590,218 units.

• Sales of four-wheel-drive Jeep vehicles during the month dropped 13.4 percent, from 5,796 units in 1981 to 5,021. Through September, the count was 47,130, a decline of 3 percent from the year-ago 48,590.

Volkswagen compact pickup sales were down sharply for both the month and January-September period. During the month, 1,210 units were retailed, a decrease of 54.4 percent from last year's 2,654 units. The nine-month total was 10,051, off 60.8 percent from the year-ago 25,628.

Datsun was the only non-captive import to show a decline in volume in September, while both Datsun and Toyota had fewer sales through September than a year ago.

Toyota dealers sold 12,809 small pickups in September, up 16.8 percent over last year's 10,969. The nine-month total of 106,711 was down almost one percent from the year-ago 107,723.

There were 9,928 Datsun sales during the month, off 23.6 percent from the year-earlier 12,987. Through September, the count was 71,412, a drop of 23.7 percent from last year's 93,589 units.

In September, Mazda dealers retailed 2,908 pickups, up 52.7 percent from last year's 1,905. The nine-month total of 29,714 units was 130.9 percent higher than the 12,869 sold in the like period in 1981.

Isuzu dealers sold 1,555 pickups during the month, an increase of 49.7 percent over last year's 1,039. Through September, the count was 13,111, up 106 percent from the year-earlier 6,365.

New Mack COE is 'bred for the '80s and beyond'

Continued from Page 14

access to wiper motors, coolant, oil and washer-fluid check and fill.

Inside the cab, a large overhead console provides open and lockable storage space, plus space and power leads for radio, CB and dual speakers. Triple cam-pivoting sun visors are multi-adjustable and there is a right-door peep window.

• The driver-engineered instrument console incorporates extensive use of plug-in gauges and switches for improved serviceability. The two-spoke, soft-feel steering wheel is mounted on a tilting and telescoping column.

The environment-control system, Zalokar noted, is also a new design which combines heating, defrosting, fresh-air circulation and optional air conditioning in a compact unit located under the passenger seat for easy access.

He said all electrical-system components are conveniently located in a central control panel for greater diagnostic capability, with the master circuit breaker chassis-mounted.

A "breakaway" shift mechanism is another major feature, according to Zalokar. The shift control is isolated from the cab in the driving position, but stays with the cab during tilt.

"It connects positively to the transmission with a single point," he explained, "and delivers smooth, crisp shift action with no shifting stress transmitted to the cab. This new design permits use of a short-throw shift lever located for optimum driver convenience."

Zalokar said the Ultra-Liner will share many common parts with new conventional models scheduled for introduction in the future.

Export considerations also have received high priority, he added, with the Ultra-Liner and upcoming models being easily adaptable to various international markets.

Big Three September, year-to-date truck sales

	September 1982	September 1981	Year to date 1982	Year to date 1981
Ford				
Vans	15,188	8,600	97,212	83,471
Club Wagon	1,842	2,056	24,799	19,042
Ranger	12,561		76,684	
Courier	1,937	5,341	24,083	49,860
Bronco	3,376	3,536	30,666	27,446
Conventional Pickups	38,651	36,536	320,472	352,428
Mediums	NA	3,649	NA	32,958
Heavies	NA	856	NA	7,348
Chevrolet				
Vans	6,959	6,045	76,609	69,223
Sportvan	814	705	11,630	10,478
S-10	14,636	2	137,411	4
LUV	1,684	5,113	18,772	54,137
El Camino	2,334	2,762	16,923	26,991
S-Blazer	85	.....	85	.....
Blazer	1,130	1,516	19,332	16,818
Suburban	1,639	1,122	21,195	15,967
Conventional Pickups	34,996	29,730	301,038	321,232
Mediums	1,067	1,298	12,344	17,730
Heavies	.....	.....	.....	.....
Chrysler				
Vans	4,490	2,610	46,491	37,154
Voyager	337	272	3,794	3,595
Sportsman	1,831	781	22,300	14,739
Arrow	457	512	4,663	7,204
D-50	4,028	1,328	26,566	20,828
Trail Duster	.....	242	244	1,442
Ramcharger	358	373	7,760	3,937
Conventional Pickups	6,972	4,639	65,471	55,125
Rampage	1,293	.....	13,299	.....
GMC				
Vans	1,634	1,494	20,689	17,686
Caballero	139	267	1,964	3,304
Jimmy	323	377	5,228	3,704
Suburban	529	226	7,159	3,587
Conventional Pickups	8,096	6,884	82,309	77,078
P models	292	282	2,973	2,757
Mediums	824	1,437	17,533	16,568
Heavies	444	1,147	7,278	9,381
S-15	2,681	.....	28,913	.....

Ranger is sweepstakes prize

Margaret Mitchell, center, accepts keys to her 1983 Ford Ranger pickup truck as winner of the Ford Ranger/Famous-Barr Department Customer Roundup Sweepstakes. Presenting the prize is Earl L. Campbell, left, Ford Division St. Louis assistant district sales manager, and Jack Anderson, light-truck merchandising manager. Mitchell beat out 600,000 entrants to win the St. Louis-area contest.

Equipment additions modify AMC price boost for 1983

American Motors announced that prices of its 1983 AMC cars are up an average of $137, or 1.4 percent, over comparably equipped 1982 models. The figure consists of $78 on the cars and $59 on optional equipment.

The Spirit DL two-door hatchback is unchanged at $5,959 and eight other models rose $234 to $330, but AMC said additional standard equipment held the boost to $137 on a comparably equipped basis.

The company said an average of $198 in standard equipment has been added to its cars for 1983.

In the Concord line, the DL four-door sedan is $6,995, compared with $6,761 for '82, but AMC said $264 worth of standard equipment has been added for '83, including a six-cylinder engine and wire wheels. Spirit models also have six-cylinder engines for '83.

Base models of the Spirit and Concord have been dropped, which increases the spread between the lowest-priced '83s and '82s. For '83, the Spirit DL hatchback at $5,959 is well above the '82 base hatchback at $5,576.

The Concord DL four-door for '83 is $6,995. For '82, there was a base Concord four-door at $6,254.

The Eagle SX-4 hatchback is $7,697, up $246, and the Eagle DL four-door sedan is $9,162, up $293. Those increases are before allowing for additional standard equipment.

AMC reduced the dealer discount on the Spirit DL and Jeep Scrambler for '83. The margin dropped to 14 percent from 15 percent on each. Destination charges on AMC, Renault and Jeep vehicles are unchanged from the final '82 figures.

• Equipment price increases include $23 on Spirit air conditioning (now $670) and $6 on Concord air (now $725). Power brakes rose $12 to $112, cruise control jumped $6 to $170, and power door locks went up $10 to $120.

The company said prices of '83 Renaults are up an average of $20 over comparably equipped '82s.

The price break on the Renault Le Car, in effect since May 20, has been made official. It amounts to $200 on the base three-door hatchback and $300 on the Deluxe three-door and five-door.

Previously, there were refunds to dealers upon sale of the cars. Now, the stickers reflect the lower prices with Le Car models starting at $4,795.

Renault 18i DL models are up $498, and five-speed transmission, power steering, bigger tires and tinted glass have been made standard. The 18i DL four-door sedan is $8,395. For '82, there was a base 18i sedan at $7,398. It has been dropped.

The Renault Fuego carries an '83 sticker of $8,695, up $200, and the Fuego Turbo is $11,095, up $391.

AMC said Jeep prices are an average of $184 lower than comparably equipped '82 models and that its full line of AMC, Renault and Jeep vehicles is an average of $6 lower than comparably equipped '82s.

Jacobson elected RVIA chairman; 8 directors named

Continued from Page 14

Stout as a motor-home manufacturer representative and Willibrand as a travel-trailer manufacturer representative.

Other officials re-elected to the board are: John Zimmerman, president, Sunline Coach Co., Denver, Pa., as a truck-camper manufacturer representative, and Gerald Boman, senior vice president, Winnebago Industries, Inc., Forest City, Ia., to fill an at-large seat.

Newly elected officials to fill seats on the board are Dave Henry, president, Overland Industries, Inc., Orange, Calif., and a former RVIA chairman, as a motor-home representative, and Don Cuzzocrea, president, Starcraft R.V., Topeka, Ind., and Bud Coons, president, Coons Mfg., Inc., Oswego, Kan., as at-large representative.

Chevrolet dealers elect Hamm in Jacksonville

JACKSONVILLE, Fla.—Jerry T. Hamm, of Jerry Hamm Chevrolet, has been elected president of the Jacksonville Chevrolet Dealers Assn.

Other officers are Conrad Hawkins, Conrad Hawkins Chevrolet, and Bill Nimnicht Jr., Nimnicht Chevrolet, secretary-treasurer.

32.41 pct. of July registrations despite slight volume dip

Import share hits any-month peak

By Jenny L. King
Staff Writer

Registrations of new imported cars in July scooped up their greatest penetration of the U. S. market for any month in history and advanced to 32.41 percent from 29.95 percent a year earlier.

Figures compiled by R. L. Polk & Co. revealed new import registrations of 203,002 for the month, compared with 206,653 in 1981, a dip of 1.77 percent. The total market was down 9.23 percent in July, to 626,321 from 690,025, with the domestics skidding 12.42 percent. Thus the import loss became its gain in terms of market share.

Year-to-date import registrations totaled 1,283,032 through the end of July, down 13.36 percent from 1,480,824 last year. Market penetration for the 1982 period was down just 0.02 percentage points, to 29.13 percent from 29.15 percent.

Of the top 10 imports, five increased their share of the market in July and five were off. Nissan climbed 2.75 percentage points, to 21.49 percent from 18.74 percent, for the greatest individual gain. Honda was up 0.22 percentage points; Volvo was up 0.82 percentage points, Mercedes-Benz was up 0.02 percentage points and BMW was up 0.25 percentage points.

Volkswagen lost the most ground in terms of market penetration in July as well as slipping into fifth place from fourth. VW dropped 2.78 percentage points, to 6.26 percent from 9.04 percent. Mazda was down 0.16 percentage points, to 6.69 percent from 6.85 percent.

Subaru was down 0.06 percentage points, Audi was down 0.39 percentage points and first-place Toyota was off 0.17 percentage points.

For the first seven months of 1982, Volkswagen again suffered the greatest defeat, its penetration down 2.63 percentage points, to 6.64 percent from 9.27 percent. BMW joined the top 10, replacing Ford Fiesta. Nissan enjoyed the single largest gain, up 1.86 percentage points, to 20.05 percent from 18.19 percent. Other risings and fallings were less conspicuous.

Japanese nameplates accounted for 78.45 percent of July import registrations, up from 75.29 percent a year earlier and up from 73.83 percent in July of 1980. They captured 77.87 percent of the year-to-date market, up from 75.26 percent in 1981.

Registrations by country of origin in July were:

	July, 1982	July, 1981
Japan	159,248	155,599
West Germany	27,027	34,761
Sweden	9,489	7,161
France	4,826	3,275
Italy	1,278	3,901
United Kingdom	848	1,861
Ireland	286	95

	7 mos., 1982	7 mos., 1981
Japan	999,143	1,114,513
West Germany	183,115	257,928
Sweden	54,876	46,077
France	28,572	26,315
Italy	10,013	23,552
United Kingdom	5,307	12,338
Ireland	2,006	101

Registrations of imported trucks in July totaled 34,305, down 13.80 percent from 39,795 in 1981. Registrations were as follows:

	July, 1982	July, 1981
Toyota	11,327	11,724
Nissan	7,298	9,266
Mazda	3,477	.....
Ford Courier	3,297	4,385
Chevrolet LUV	.....	4,335
Others	8,906	10,085
TOTAL	34,305	39,795

The truck import total for the first seven months of 1982 was 237,360, down 16.24 percent from 283,370 a year earlier. Registrations by company were as follows:

	7 mos., 1982	7 mos., 1981
Toyota	77,118	71,169
Nissan	52,015	64,285
Mazda	19,848	.....
Ford Courier	18,941	38,241
Chevrolet LUV	.....	41,904
Others	69,438	67,771
TOTAL	237,360	283,370

IMPORT REGISTRATION SHARES IN U. S.

	JULY					SEVEN MONTHS				
	Regis., July, 1982	Percent Share of Market	Regis., July, 1981	Percent Share of Market	Pct. Pt. Change '82 vs. '81	Regis., 7 Mos., 1982	Percent Share of Market	Regis., 7 Mos., 1981	Percent Share of Market	Pct. Pt. Change '82 vs. '81
Toyota	48,921	24.10	50,155	24.27	− 0.17	305,201	23.79	359,582	24.28	− 0.49
Nissan	43,631	21.49	38,733	18.74	+ 2.75	257,314	20.05	269,392	18.19	+ 1.86
Honda	31,865	15.70	31,992	15.48	+ 0.22	212,654	16.57	226,062	15.27	+ 1.30
Mazda	13,571	6.69	14,150	6.85	− 0.16	86,824	6.77	107,961	7.29	− 0.52
Volkswagen	12,705	6.26	18,676	9.04	− 2.78	85,181	6.64	137,316	9.27	− 2.63
Subaru	11,095	5.47	11,431	5.53	− 0.06	77,770	6.06	81,205	5.49	+ 0.57
Volvo	7,760	3.82	6,196	3.00	+ 0.82	44,704	3.48	38,113	2.57	+ 0.91
Mercedes	5,166	2.54	5,206	2.52	+ 0.02	37,089	2.89	35,117	2.37	+ 0.52
BMW	4,190	2.06	3,740	1.81	+ 0.25	27,572	2.15	.....	.....	.....
Audi	3,724	1.83	4,580	2.22	− 0.39	25,470	1.99	27,043	1.83	+ 0.16
Fiesta	.....	.....	.....	.....	.....	.....	.....	30,047	2.03	.....
Others	20,374	10.04	21,794	10.54	− 0.50	123,253	9.61	168,986	11.41	− 1.80
TOTAL	203,002		206,653			1,283,032		1,480,824		
Share of U. S. Total		32.41		29.95	+ 2.46		29.13		29.15	− 0.02

Registrations for Oklahoma not available.

Two decades

Duke Hale, center, Volvo Washington district manager, presents a 20-year dealer award to Richard G. West, left, West Motor Sales, Roanoke, Va. With them is Rick West, dealership general manager.

K&E appoints top executives to new posts

NEW YORK.—A group of senior Kenyon & Eckhardt executives have been appointed to new positions.

Ronald DeLuca, executive vice president, was named vice chairman and executive committee chairman of Kenyon & Eckhardt, Inc., the parent company.

John B. Balson, executive vice president, was promoted to president and chief operating officer of Kenyon & Eckhardt Advertising, the company's main operating unit, and John J. Morrissey, chairman of Kenyon & Eckhardt Advertising, was appointed chairman of the agency's management committee.

Ronald J. Moss, chairman and general counsel, Kenyon & Eckhardt, Inc., continues in those capacities. Stephen O. Frankfurt, president of Frankfurt Communications, a K&E division, continues as chief creative officer of Kenyon & Eckhardt, Inc.

As the new president of K&E Advertising, Balson succeeds Leo-Arthur Kelmenson, who continues as president and chief executive officer of the parent company.

Kelmenson said that because of K&E's growth and expansion, "I have decided that the responsibility for running this company should be shared by more of our senior executives."

Dealer in Slidell

A Chevrolet sales and service agreement is signed by Robert J. Levis, who heads Robert Levis Chevrolet, Inc., Slidell, La. Witnessing the signature is J. W. Croft, New Orleans zone manager.

Winning The Game Of Life

★ Losers expect other people to *give* them happiness. Winners know that contentment and satisfaction comes only from *being* a whole, independent person. Live your own life, do your own thing, don't be someone else's appendage.

★ Losers expect an employer or the government to *support* them. Winners know that only by *delivering* a useful product or service at a reasonable cost can one make an honest living.

★ Losers *drift* through life. Winners have *plans* and *goals*.

★ Losers are quick to *give up* and make excuses for failure. Winners have *alternate plans*.

★ Losers say "No, it's *impossible*." Winners say, "I'll *find a way*."

★ Losers would rather *stay in bed*. Winners *look forward* to every new day.

★ Losers *complain* to other people about the unfairness and injustice of life. Winners don't expect perfection but *keep going anyway*.

★ Losers have lots of *problems*. Winners face new *challenges*.

★ Losers hang out with losers, *timewasters*, talkers & complainers. Winners associate with winners who are *productive*, energetic & disciplined.

★ Losers *talk* about it. Winners *do* it.

★ Losers are always part of the *problem*. Winners are always part of the *solution*.

★ Losers leave you *feeling low* and drained. Winners *inspire* and lift you.

CALL US TODAY AND SEE HOW THE NEW TAX BILL CAN HELP YOU AND HOW YOU CAN CUT YOUR TERM LIFE INSURANCE RATES BY ONE-HALF (INCLUDING YOUR DEALER GROUP INSURANCE)!!

SPECIALIZING IN ESTATE PLANNING & TAX SHELTERS
Serving over 7,000 automobile dealers for the past 23 years, coast to coast

Joe Gandolfo C.L.U. & Associates
2018 South Florida Avenue • Lakeland, Florida 33803 • **813/683-6441, Collect**
10 to 1 Multiple Tax Write-Offs Available.

TOYOTA "COROLLA" CONVERTIBLE
"ALL NEW FOR '83"

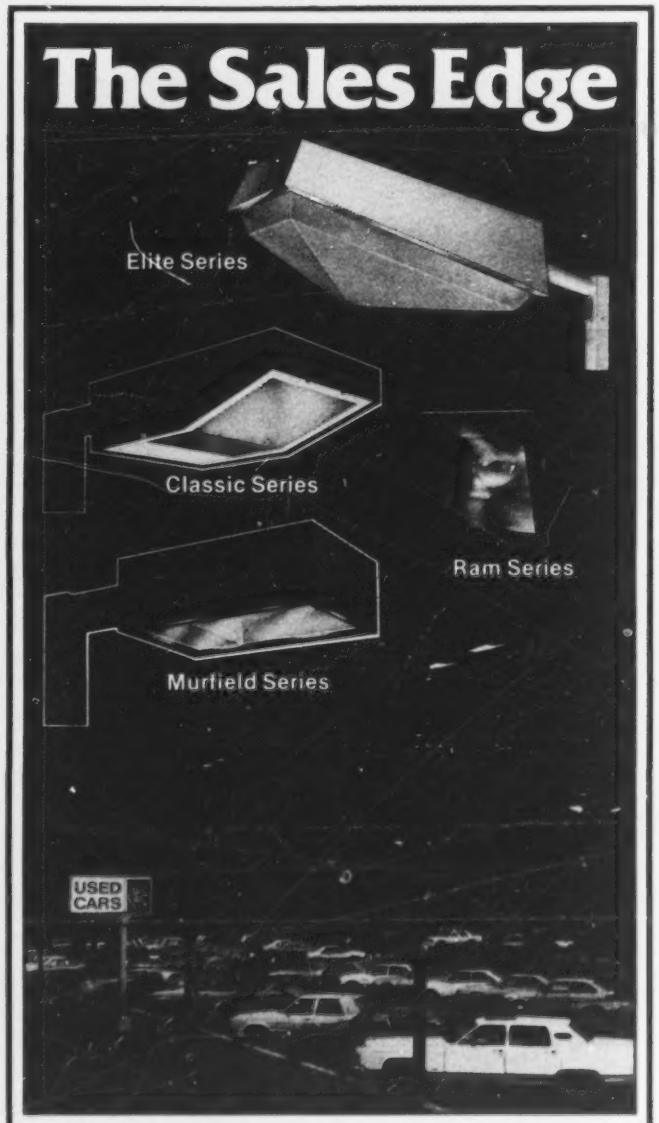
"AMERICAN CUSTOM COACHWORKS, LTD."

proudly announces it has superbly engineered and styled this "great" answer to a "new" breed of luxury and economy convertibles with . . . "a fully automatic convertible top." Base units can be drop shipped to American Custom Coachworks, Ltd. plants or there are open factory (pool cars) presently in build that are available.

CALL (213) 272-7908 OR (213) 278-0643
FOR MORE INFORMATION

*QUALIFIED DISTRIBUTOR POINTS ARE AVAILABLE AN-21

The Sales Edge



LSI specializes in automotive outdoor lighting systems that combine function with elegant design . . . giving you the 'sales edge'. Whether you're installing new lights or retrofitting an outdated system, LSI's lighting experts will evaluate and recommend a lighting system that's right for you. You'll get straight answers about our wide selection of designs, featuring the latest technology in energy efficient and low maintenance. It's the kind of service our customers have learned to appreciate . . . and to rely on.

The Lighting Innovators

For more information, call (513) 793-3200 or write for a full-color brochure describing our energy-saving systems.

LSI lighting systems inc.
4201 Malsbary • P.O. Box 42419 • Cincinnati, Ohio 45242
(513) 793-3200

Chevrolet chief predicts a competitive 1983

Stempel sees critical period ahead

By John A. Russell
New York Staff Writer

NEW YORK.—With the consumer in the driver's seat, the U. S. auto industry is facing critical marketing quandaries, centering on federal regulation and the economy, while attempting to increase productivity to keep prices in line.

According to Robert C. Stempel, Chevrolet general manager, January and February will be critical months for auto makers. That is when they will come to grips with federal regulations on passive restraints and particulate emissions for diesels.

Stempel said decisions will be made at that time on the future of certain diesel cars and trucks.

Speaking at a meeting of the International Motor Press Assn. here, Stempel said decisions must be made on these issues. Passive retraints—currently in the courts although slated to be required for the 1984 model year — mean added cost for the industry, he said. Unless diesel particulate standards are lowered, some cars will be dropped, Stempel said.

While not revealing which cars and trucks are in jeopardy, he did say they would be those using larger diesel engines.

Reducing costs is another problem, Stempel said. He noted that Chevrolet had a 5-percent productivity gain this year, but said he hoped for more from the new recent UAW contract talks.

Part of the division's and GM's problem will be solved by marketing small Isuzu cars which can be produced more economically in Japan, as well as by jointly manufacturing a small car with Toyota.

By the end of the '80s, Stempel said, it will be necessary to reduce the time it takes to build a car and to outdo the Japanese in this area.

With the market being what it is, he said U. S. manufacturers really do not have the time now to accomplish this goal. This makes it a "time for partnership," he said.

When asked after the meeting whether this proposed joint manufacturing plan with Toyota will be subject to renegotiation in the future, Stempel would say only that "I didn't come here to sell some other car."

He said the reason for such an arrangement would be to furnish the dealer body with products while GM closes the productivity gap with the Japanese.

Stempel said Chevrolet will be competing in a buyers' market in 1983. The division has no plans to discontinue its popular Chevette, he said. A diesel version reaching 60 MPG will be announced within a few weeks, he said.

Camaro is going strong, although production is still below capacity. Stempel noted that 40 percent of Camaro sales are Z-28s—the performance version—and he expects more interest in performance in the future.

As for Chevy's J-car, the Cavalier, Stempel said he is convinced the division could double its sales, saying this is the fastest-growing car class in the world.

A hot market for Chevrolet has been small trucks, where its S-10 garnered the No. One spot in terms of market share, with 25 percent of this market, Stempel said. He noted this was the market that Toyota and Datsun used to lead.

He stressed that this market is "heating up" for '83.

When asked whether Chevrolet will abandon its mass-market appeal to concentrate on luxury and performance models, Stempel said flatly that for his division, "the mass market is the backbone."

He also said that because of the market, and the fact that the industry has 30 percent more capacity than sales volume, it is clear the buyer is in the driver's seat. Chevrolet's advertising is therefore shifting to invite the customer to compare its product.

Service Index jumps sharply to 113.8 percent in 1982

By Francis J. Gawronski
Service Editor

After dipping to its smallest gain of the year in July, service and parts business in new-car dealerships in August recorded its second best showing in 1982.

According to the Automotive News Service Index, August shop business amounted to 113.8 percent of the volume for the same month in 1981.

In July, service and parts business dropped to 100.3 percent of the year-earlier volume after recording an increase of 7.2 percent in June. March posted the biggest increase of the year, up 14.6 percent.

August also marked the 18th consecutive month that the Service Index has shown a gain over the same month a year earlier.

All indicators, including repair orders written which have been on the negative side of the ledger for eight consecutive months, registered healthy gains in August.

The leader was gross profit on all labor, parts and accessories sales — the most important indicator from the dealers' viewpoint — with an increase of 18.4 percent over the year-earlier figure. In July, gross profit was down 0.2 percent, the first decline in 21 months.

Shop parts sales, those used on customer-paid and warranty work, were up 17.8 percent, while sales of all parts and accessories increased 17.3 percent. Total labor sales—both customer-paid and warranty—increased 11.7 percent over the 1981 figure.

Repair orders written, which dipped 6.4 percent in July, rebounded for a 4.1 percent increase over the year-ago figure in August.

Figures used in the Service Index are averages compiled from replies on shop business from a cross-section of the nation's new-car dealers.

For the first eight months of 1982, dealers' shop volume amounted to 107.9 percent of the business for the same period in 1981.

The leading indicator for the period was shop parts sales, up 13.0 percent, followed by parts and accessories sales, up 11.8 percent, and gross profit, up 10.8 percent.

SERVICE INDEX
113.8*

	Aug., '82 vs. Aug., '81	8 mos., '82 vs. 8 mos., '81
Gross Profit on All Labor and P&A Sales	+18.4%	+10.8%
Repair Orders Written	+ 4.1%	— 6.1%
Total Labor Sales (Customer & Warranty)	+11.7%	+ 6.0%
Shop Parts Sales (Customer & Warranty	+17.8%	+13.0%
Sales of All Parts and P&A	+17.3%	+11.8%

*—Survey by Automotive News shows that dealers' service and parts business in August, 1982, was 113.8 percent of business in August, 1981. Service business in the eight months of 1982 was 107.9 percent of business in the corresponding period in 1981.

'83 Saab prices up $50 to $750; equipment added

ORANGE, Conn.—Saab prices for 1983 have been increased $50 to $750. Saab-Scania of America, the importer, said much of the boost is the result of added content.

The Saab 900 models rose $100 and now carry stickers of $10,750 for the three-door hatchback and $11,050 for the four-door sedan. Protective exterior moldings and extra body sound insulation have been added.

The 900 Turbo three-door hatchback went up $310 to $16,510, reflecting the addition of power windows, protective side moldings and a central locking system for doors and trunk. Moldings were added to the 900 Turbo four-door sedan, and the price is now $16,910, up $50.

The biggest hikes were applied to the 900-S models, which have the same new standard features as the Turbo units. The 900-S three-door hatchback is $13,550, up $750, and the four-door sedan is $13,950, up $450.

Automatic transmission went up $20 and is $370 for all models.

Hogue signs with Chevy

Kenneth H. Hogue, right, signs with Chevrolet to become dealer/operator of Hogue - Blackwell Chevrolet-Oldsmobile, Inc., Wetumpka, Ala. Terry A. Williamson, Chevrolet's Birmingham (Ala.) zone manager, witnesses.

NHTSA sides with makers in court

Passive-belt deadline is called unmeetable

Continued from Page 3

fective date were to stay, those unable to meet it would have to stop production. Chrysler, for example, said it could not survive such an event.

NHTSA said the makers have shown "convincingly" that the '84-model deadline is impossible. It said that without further court action and rulemaking, it cannot be exact, but it feels "practicable" compliance could not be achieved before 1986 models. There is "considerable doubt" whether uniform compliance could be reached even then, NHTSA said.

• Court documents list the earliest dates makers say they can install passive restraints:

Volkswagen of America — Quantum, Audi 4000, Audi Coupe, Audi Quattro and Scirocco, July 1, 1985; Audi 5000 and Rabbit Convertible, January, 1986.

Alfa Romeo—1986 models.

BMW—Wants to install air bags in three of its models and automatic belts in its most popular model. It would need 22 months of leadtime without a supplier problem. To deviate from this schedule, even for one model, would require it to change a supplier, redesign a major component and renegotiate contracts.

BMW projects it could install air bags in this one model line by the 1985 model year. It could have automatic belts in another model at the same time. By the 1986 model year, BMW could put air bags in two other models, it said.

Volvo—By '85 models, it could have passive restraints in all models, but it would be more comfortable waiting an extra model year (1986 models) in case of unforeseen events. Volvo is looking at a later-generation passive belt. The motorized belts would use a spool-out instead of buckle-type emergency release.

Volvo did not say whether it has any plans for air bags — which it once engineered into a test fleet for Allstate Insurance. It has told NHTSA separately it may have problems finding suppliers for air bags.

Toyota—Wants a phase-in over several years because of the number of models and because it has scrapped molds, attachments, and tools. Model-year 1985 might be possible for cars with wheelbases over 100 inches except for the Cressida, which already has a passive belt, Toyota said.

For the smaller Toyotas, none would have automatic belts earlier than 1985 models and "not even then for some car lines."

Subaru—Needs 36 months as an "absolute minimum" and it cannot start consideration until January, 1983. Subarus have sashless doors which complicate problems with passive belts.

Saab—Passive belts by 1987 models and air bags by 1989 models.

Renault—30 months after a court decision for passive belts.

Rolls-Royce—31 months.

Nissan—23 months for current models and 30 months for new models.

Mitsubishi—24 months for current models and 3 years for vehicles produced after September, 1983.

Mazda—31 months after introduction of a model.

Jaguar—Says the effective date should be deferred until at least January, 1984.

Isuzu—3½ years' leadtime is needed, since more than one model is involved. For one model only, three years would be enough.

Honda—36 months (1986 models) if one effective date is set for all models, or 24 months (1985 models) if a phase-in is allowed.

"Automatic restraints could be provided on 100-percent of our production for the U. S. by the 1986 model year under Honda's phase-in program," it said.

General Motors—21 months for detachable passive belts for current models. GM stressed these must be detachable, and it assumed outside engineering and tooling capabilities would be available and that there would be no significant work stoppages.

Ford—After inveighing against passive restraints in general, Ford said theoretically it might be able to make it for current small cars with a minimum of 84 weeks plus another 4 to 6 weeks, but as a practical matter, it could not do it by the start of 1985 models. Moreover, because of substantial uncertainty, Ford said it might have to abandon its current thinking and start all over again.

A 1986-model-year date is better, it said. But certain models—such as convertibles and bench-seat cars that would require air bags—would be prohibitively expensive.

"We estimate, for example, that at volumes of about 50,000 vehicle sales per year, the cost to Ford of a two-occupant air bag system would exceed $1,450 per vehicle at 1985 economics," it said.

Chrysler—1985 for detachable automatic seat belts—and then only for its E-body and a portion of one other line of vehicles.

For the rest, the earliest installation date is the '86 model year, Chrysler said. Chrysler said it could not survive with either a 1984-model-year or 1985-model year effective date.

"Requiring compliance on vehicles with a wheelbase over 100 inches would force Chrysler to delay the scheduled introduction of a new line of vehicles for one model year," it said.

American Motors—24 to 36 months.

American Seat Belt Council—Nine months to start supplying the vehicle makers once they are committed to a firm design.

Alliance of fraternity brothers

American Motors markets the new Renault Alliance as a passenger car with room for up to five persons. But the brothers of Duquesne University's Zeta Beta Tau fraternity proved that in a pinch the subcompact can accommodate as many as 17, during the recent Fraternity Stuff contest on campus in Pittsburgh. Alliance, unstuffed, features front-wheel drive, fuel injection and a base price of $5,595.

factories list auction dates

American Motors

Oct. 19 — D-A Auto Auction, New Stanton, Pa.

Oct. 20—Columbus Fair Auto Auction, Obetz, O.; Central States Auto Auction, Mason City, Ia.; Sand Mountain Auto Auction, Boaz, Ala., and Dallas Auto Auction, Grand Prairie, Tex.

Oct. 21 — Todd Auto Auction, Telford, Pa., and Minneapolis North Star Auto Auction, Shakopee, Minn.

Oct. 22 — Floyd Hauhe Auto Auction, Bridgeton, Mo.

Oct. 26—Aptco Auto Auction, Taylor, Mich.

Oct. 27—Southern Auto Auction, Warehouse Point, Conn.; Metropolitan Milwaukee Auto Auction, Caledonia, Wis., and Kansas City Auto Auction, Kansas City, Mo.

Oct. 28 — Minneapolis North Star Auto Auction, Shakopee, Minn.; Evansville Auto Auction, Evansville, Ind., and Fredericksburg Auto Auction, Fredericksburg, Va.

AMC sales are open to all dealers.

Chrysler Corp.

Oct. 19—Hatfield Auto Auction, Hatfield, Pa.; D-A Auto Auction, New Stanton, Pa., and Arena Auto Auction, Chicago, Ill.

Oct. 20—Columbus Fair Auto Auction, Obetz, O.

Oct. 21—Northway Exchange, Clifton Park, N. Y.

Oct. 22—Denver Auto Auction, Englewood, Colo., and Concord Auto Auction, Acton, Mass.

Oct. 26—Hatfield Auto Auction, Hatfield, Pa.; Aptco Auto Auction, Taylor, Mich., and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Used car sales
Auction Averages

October to date	$4,528
Month ago	$4,848
Year ago	$4,403

Model breakdown
Auction Averages

	OCTOBER TO DATE	SEPTEMBER	AUGUST
1982	$7,783	$8,253	$8,749
1981	5,334	5,554	6,501
1980	5,009	5,204	5,348
1979	4,563	4,907	4,830
1978	3,527	3,822	3,867
1977	2,720	3,010	3,038
1976	1,988	1,976	2,046
1975	1,420	1,271	1,357
OVERALL AVERAGE	$4,528	$4,807	$4,910

used-car auction directory

Display Rates: $84.00 per column inch (minimum space, 1 inch on 1 column). Listing Rates: (Maximum: Four lines of type - 1 time, $20.00; 13-times, $18.50; 26-times, $16.50; 52-times, $13.50. For Frequency Display Rates Contact Want Ad Dept., Automotive News, 965 E. Jefferson, Detroit 48207. Phone (313) 567-9520. Closing: 10 days in advance.

ARKANSAS

Arkansas Auto Auction. Lease and Fleet accounts welcome. Member NAA, ADA. Sale every Tuesday. 1115 North James, Jacksonville, AR, 501-982-0591.

ARIZONA

Southwest Auto Auction. Lease/fleet accounts & bank repos welcome. Member NAAA and NAFA. 3420 South 48th St., Phoenix, 602-894-2211. Since 1971.

AUCTION SCHOOL

Mendenhall School of Auctioneering. America's Top-Quality Auction School. Vet Ap. Free Cat. Write or Call. P.O. Box 7344, High Point, N. C. 27264. (919) 887-1165.

CALIFORNIA

Oakland Auto Auction, 10121 E. 14 Oakland 3, NE 6-0621. Complete service out-of-state lease, fleet accounts. Fred Boardman.

NEW YORK

Northeast Auto Auction, Bayshore, N.Y. Sale every Fri., 12 noon. Buyers galore. Sellers needed. 516-968-8844.

COLORADO

Denver Auto Auction, 4285 South Santa Fe, Englewood, Colorado 80110. Sale every Friday, 303-761-1410, 303-761-1459.

NEW JERSEY

WE SELL FOR THE COUNTRY'S LEADING LEASING CO.'s • FLEETS BANKS • FORD MTR. CO. • GMAC

SKYLINE AUTO AUCTION
100 Route 46, Fairfield, N. J. 07006
(201) 227-0100
4 Lane Selling Every Tuesday

INDIANA

MID STATES AUTO AUCTION
25784 Western Ave.
South Bend, Indiana
Sale every Wednesday 6:00 P.M. and every Friday 12:00 Noon. PERSONAL ATTENTION given in the handling of vehicles for Fleet Operators and Leasing Firms. Phone 219-289-7767.

MARYLAND

BEL AIR AUTO AUCTION
BEL AIR, MARYLAND
Over 35 years serving auto dealers
SALE EVERY THURSDAY, 11 A.M.
FULL SERVICE AUCTION
Member NAAA
Call: 301-838-5880 or 301-879-7950
Rt. 1, Bel Air, Maryland 21014

MINNESOTA

TUESDAY AUCTION
Large consignment, 3 ring selling. Complete recon facilities. Arrange pickup anywhere.
Minneapolis Auto Auction
THE TUESDAY SALE
1125 Nathan Lane, Minneapolis, Minn. 55441
612-546-2403

NEW MEXICO

NEW LOCATION
NEW SALE TIME
NEW SALE DATE
GREATER ALBUQUERQUE AUTO AUCTION
2019 MENAUL N.E.
New Mexico's only dealer auction.
Sale every Tuesday, 11 A.M.
505-883-7772
Member NAAA & WAAA

FLORIDA

Imperial Auto Auction, Lakeland, Fla. Sale every Tues., 7 P.M. & Thurs., 1 P.M. (813) 688-8458, toll free, 800-237-7661.

ILLINOIS

Greater Chicago Auto Auction. Every Thursday—1 P.M. Sharp. 800—1,000 cars & trucks. 312-597-3600.

OHIO

Ohio Auto Auction. The Tuesday sale. 3905 Jackson Pike, Columbus, Ohio. 614-871-2771.

OHIO

Wednesday Auto Auction. Exit 49 on I-270, Columbus, Ohio. Every Wednesday. Call: Area 614-497-2000.

SOUTH CAROLINA

Bruce Auto Auction & Recon Center—Fleet and Lease car and truck disposal outlet thing. AAA credit. 803-242-3090, Greenville, S.C.

TEXAS

PAT PATTERSON'S Amarillo Auto Auction, Inc. 36 years serving most major fleet and lease companies. 3208 E. 10th, Amarillo, Texas, 806-372-2206.

WASHINGTON

Bob McConkey & Sons. So. Seattle Auto Auction, the Lease Specialist. 206-872-6800, P. O. Box 5189, Kent, WA 98031.

GM Black Dealer Advisory Committee meets

The first meeting of the General Motors Black Dealer Advisory Committee was attended by (from left, front row) Felton Dean, Felton Dean Pontiac-GMC, Lawton, Okla.; Albert W. Johnson, Al Johnson Cadillac, Tinley Park, Ill.; James W. Woodruff, Woodruff Oldsmobile, Detroit; James L. Dowdy, Jim Dowdy Oldsmobile-Cadillac, Ambridge, Pa., and Darrell R. Gordon, Gordon Buick, Philadelphia. Back row, from left, are Gregory M. Williams, Sentry Buick, Omaha; Robert Johnson, Bob Johnson Chevrolet, Buffalo; William W. Nelson, Bill Nelson Chevrolet, Richmond, Calif.; Cecil B. Willis, Peninsula Pontiac, Torrance, Calif., and Roosevelt V. Robinson, Robinson Cadillac, Atlanta.

DOE delays publication of '83 fuel-economy guide

Continued from Page 2

ers entering the showroom or copy it and give it to consumers.

Another was to publish the 1983 and 1984 guides together in a similar limited quantity, but in any case to use no more money than that made available when DOE did not print the second edition of the 1982 Guide, and cheapened the first version, or approximately $498,000. DOE does not have a budget for printing the guide this year.

Barbara Fleming, a spokesperson for DOE, defended the department's action saying, "The public never asks for them. We'd got a million of these things filling the shelves at our distribution center."

Apparently consumers are getting the information elsewhere and at a time when budgets must be looked at. DOE feels justified in taking the action, she said. "Sending one copy to each dealer meets the law," she added.

Limited printing of the guide was shot down by attorneys at the EPA and the Department of Transportation, however, so the guide now is effectively in limbo.

"What we've got here is policy people pushing for printing and the political types saying no," a DOE source said.

Meanwhile, consumers have no information with which to do comparative shopping and little prospect for help this year.

Said one EPA source in the fuel-economy program, "If they hold this thing up much longer, it won't be worth much to anybody when we finally do get it out."

Meanwhile, Clarence Ditlow, director of the Center for Auto Safety, has written to Odle questioning Odle's right to hold up publication of the guide. Ditlow threatened to sue Odle if he does not publish it.

Early October sales plunge to 24-year low

Continued from Page 2

44.08 percent; Imperial down 50.00 percent; Dodge down 27.35 percent; Ford down 41.57 percent; Mercury down 30.70 percent; Cadillac down 5.39 percent; Chevrolet down 27.29 percent; Pontiac down 25.55 percent; VWoA down 53.89 percent, and AMC down 2.94 percent.

Annualized 12-month sales based on the Oct. 1-10 total figured to 4,991,000. Year-to-date sales totaled 4,394,921, down 13.37 percent from 5,073,243 last year.

New Volvo outlet

CHICAGO HEIGHTS, Ill. — Olympic Imports, Inc., has been awarded a Volvo franchise. Jack B. Winters is president of the dealership.

All corporate makers trim stocks during September

Domestic inventory dips to 69 days

Continued from Page 1

2.50 percent, and VWoA, 2.04 percent.

By size class, all segments were in leaner supply Oct. 1 than a month earlier, with subcompacts recording the biggest cut.

The industry had a 65½-day supply of subcompacts, compared with a 95½-day stockpile a month earlier. The compact segment changed the least, opening October with an 83½-day supply compared with 86 days a month earlier.

Stocks of intermediates also thinned out, as the industry had a 69-day supply Oct. 1, down from 89 days a month earlier. The industry had a 58½-day supply of standards, down from 70 days, and a 55-day stock of luxury cars, down from 71 days.

The Oct. 1 inventory was divided this way by market segment: Subcompact, 25.21 percent; compact, 25.62 percent; intermediate, 30.04 percent; standard, 12.69 percent, and luxury, 6.44 percent.

A month earlier, the inventory was divided as follows: Subcompact, 26.77 percent; compact, 24.98 percent; intermediate, 29.97 percent; standard, 12.23 percent and luxury, 6.05 percent.

The Oct. 1 days-supply figures by market class were:

Subcompact — Alliance, 65½; Rabbit, 53; Cavalier, 54; Chevette, 57; Skyhawk, 63½; Turismo/TC3, 65½; Firenza, 66½; J-2000, 67; Lynx, 67½; Escort, 70; Horizon, 71; Charger/024, 71½; Omni, 77; Pontiac 1000, 87; Eagle SX/4, 95; EXP, 113½; LN7, 129, and Spirit, 161.

Compact — Zephyr, 30; Fairmont, 58½; Reliant, 66; Skylark, 73; Omega, 74; Aries, 82; Camaro, 82; Mustang, 93; Concord, 98; Eagle, 98; Citation, 101; Capri, 121; Phoenix, 130, and Firebird, 131.

Intermediate — Cougar/XR-7, 29; Thunderbird, 38; Marquis/Cougar, 48; Cutlass four-door, 55; Cordoba, 57; Gran Fury, 58; Regal two-door, 58; Regal four-door, 59; Bonneville, 62½; New Yorker, 63; Cutlass two-door, 65; LeBaron, 68; Malibu, 69; Century, 69½; Grand Prix, 70; Mirada, 72; Diplomat, 75; Cutlass Ciera, 77; Monte Carlo, 81½; Celebrity, 87; LTD/Granada, 88; Dodge 400, 105, and Pontiac 6000, 107.

Standard — Olds 88, 38; Grand Marquis/Mercury, 48; LeSabre, 50; Olds 98, 61; Electra, 63; Crown Victoria/LTD, 67, and Chevrolet, 76.

Luxury — Lincoln, 39; Continental, 41½; Seville, 42; Cadillac, 43; Eldorado, 55; Toronado, 65; Mark VI, 70; Riviera, 76; Cimarron, 83; Imperial, 103, and Corvette, 151.

Imported-car stockpile slides to 48½-day supply

Continued from Page 1

rate declined during September, mainly because of inventory shortages.

Nissan, for example, which had an adequate stock of 49½ days, outsold Toyota during September to take the number one spot among imports. Toyota sales were undoubtedly held back by its anemic 26-day supply.

The Toyota stockpile was lowest among the imports Oct. 1, but a number of lines were in that same ballpark, including Honda with a 27-day supply and Mercedes-Benz with a 28-day stock.

The inventory of new imported pickup trucks was also down Oct. 1 to 138,417, a 98-day supply, from 153,032 a month earlier, a 107-day stockpile.

The combined imported car and truck inventory Oct. 1 totaled 492,917, a 56½-day supply, compared with 540,812 a month earlier, a 59½-day supply.

The combined domestic and imported new-car inventory Oct. 1 was a 60-day supply, down sharply from 75½ days a month earlier.

• The inventory of Japanese-built cars dipped to 234,331 Oct. 1, a 39-day supply, compared with 257,522 a month earlier, a 41-day supply.

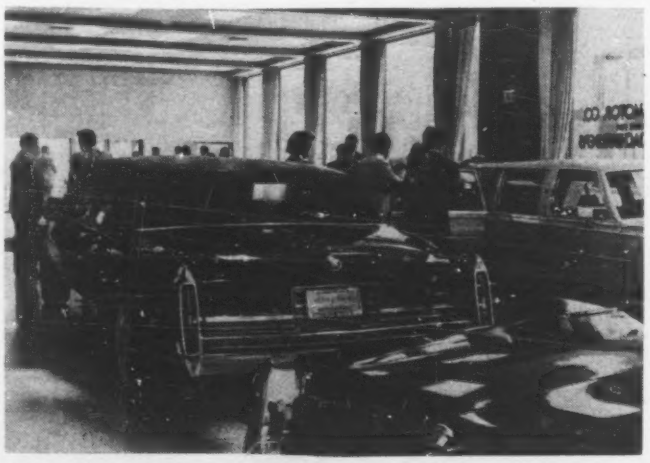
Japanese nameplates and their October days-supply figures were: Toyota, 26; Honda, 27; Subaru, 37; Nissan, 49½; Mazda, 57, and Isuzu, 116. In addition, Chrysler Corp. had a 43-day supply of Mitsubishi-built cars, including Plymouth Colt, 44 days; Dodge Colt, 36 days; Sapporo, 38 days, and Challenger, 71 days.

The stockpile of West German-built new cars totaled 74,569, an 88-day supply, down from 83,262, a 104-day stockpile, a month earlier.

German nameplates and their Oct. 1 days-supply figures were: Mercedes-Benz, 28; Porsche, 38; BMW, 43½; Audi, 113, and Volkswagen, 162½. VW also had a 53-day supply of U. S.-built Rabbits in stock, for a total 102-day supply, down from 136 a month earlier.

Days-supply figures for other European lines Oct. 1 included Volvo, 55; Jaguar, 56; Saab, 63; Peugeot, 114; Renault, 148; Fiat, 230, and DeLorean, 273.

Days-supply figures for new imported pickup trucks in inventory Oct. 1 were: Mazda, 47; Toyota, 61½; Chrysler Corp./Mitsubishi, 91; Nissan, 124; Ford Courier, 169; Isuzu, 176, and Chevrolet LUV, 179.



Strictly for limos

Hillcrest Cadillac, Beverly Hills, Calif., has opened a showroom devoted strictly to stretch limousines produced by Maloney Coachbuilders, Schaumburg, Ill. The showroom has 8,000 square feet of floor space and 12,000 feet of display area outside. Sixty-one-year-old Hillcrest Cadillac sells 31-, 45-, and 48-inch stretched Cadillac and Lincoln limos priced from $30,000 to $55,000.

NEW-CAR STOCKS

	Oct. 1, 1982	Sept. 1, 1982	Oct. 1, 1981
Renault Alliance	42	.....	.....
Spirit	161	163	58
Concord	98	79	48
Eagle	98	98	71
Eagle SX/4	95	173	102
AMERICAN MOTORS	71	106	60
Horizon	71	84	102
Turismo/TC3	65½	68	102½
Reliant	66	82	90
Gran Fury	58	44	.....
Plymouth	66	61	96
LeBaron	68	92	44½
Cordoba	57	87	92
New Yorker	63	68	.....
Chrysler	76	87	87
Imperial	103	202	149
Omni	77	82	115½
Charger/024	71½	77	84
Aries	82	84	88
Dodge 400	105	134	.....
Diplomat	75	77	95
Mirada	72	123	103
Dodge	87	92	95
CHRYSLER CORP.	77	85	95
Escort	70	111	104
EXP	113½	200	118
Mustang	93	120	82
Fairmont	58½	64	52
LTD/Granada	88	82	90
Thunderbird	38	93	75
Crown Victoria/LTD	67	76	61
Ford	72	95	82
Lynx	67½	58	115
LN7	129	217	111
Capri	121	141	69
Zephyr	30	61	50
Marquis/Cougar	48	74	56
Cougar/XR-7	29	90	75
Grand Marquis	48	50	58
Mercury	59	70	77
Lincoln	39	66	40
Continental	41½	127	.....
Mark VI	70	100	58
Lincoln	48	86	47
FORD MOTOR CO.	67	88	79
Skyhawk	63½	118	.....
Skylark	73	81	101
Century	69½	133	.....
Regal 4-door	59	85	32
Regal 2-door	58	95	61½
LeSabre	50	59	53
Electra	63	114	57
Riviera	76	98	50
Buick	63	94	64½
Cimarron	83	78	89
Seville	42	75	96
Cadillac	43	50	59
Eldorado	55	62	59
Cadillac	47	56	65
Chevette	57	71	46
Cavalier	54	107	61
Citation	101	109	113
Camaro	82	58	49
Malibu	69	64	70
Celebrity	87	140	.....
Monte Carlo	81½	83	71
Chevrolet	76	87	72
Corvette	151	132	55
Chevrolet	75	86	69
Firenza	66½	136	.....
Omega	74	92	66
Ciera	77	129	.....
Cutlass 4-door	55	55	32
Cutlass 2-door	65	67	41
Olds 88	38	44	42
Olds 98	61	95	39
Toronado	65	74	41
Oldsmobile	60	75	42
1000	87	135	76
2000	67	138	60
Phoenix	130	154	117
Firebird	131	82	58
Bonneville	62½	70	75
6000	107	176	.....
Grand Prix	70	61	65
Pontiac	91	107	68
GENERAL MOTORS	69	86	62
VOLKSWAGEN	53	85	61
TOTAL	69	88	69

Overtime, plant returns boost total to 98,313

Car production climbs for week

By Patricia Hoffman
Staff Writer

Overtime schedules at four plants and the return of four assembly points from inventory-control shutdowns helped boost last week's domestic car production from the previous week's total.

The auto makers slated 98,313 units last week, a 19.61 percent gain over the previous week's 82,197, but output fell 19.97 percent from 122,842 units built in the comparable 1981 period.

Year-to-date, the manufacturers have assembled 4,095,826 units, down 22.32 percent from last year's 5,272,492. The makers assembled their 4-millionth automobile on Monday (Oct. 11), eleven weeks later than the total was reached in 1981.

Only two facilities remained idle last week for model changeover. They were General Motors Van Nuys and Ford Lorain. Production at Van Nuys is slated to resume today (Oct. 18).

GM's Willow Run plant is also slated to resume today following a two-week shutdown to control overstocked inventory.

Due to a parts shortage last Monday (Oct. 11) at GM's Detroit point, assembly was halted after four hours of work on the first shift. Production resumed on the second shift Wednesday (Oct. 13).

The Chrysler Belvidere and Jefferson plants were both idle last week for inventory control.

Back last week from inventory adjustments were GM's Doraville point and Ford's Kansas City, Wayne and Metuchen facilities.

Operating six days last week were GM's Arlington, Baltimore and Linden points, plus Ford's Wixom facility.

U.S. truck production jumps 49 pct. to 36,832 for week

U. S. truck production last week jumped 49.61 percent from the previous week's total as nine assembly points returned from inventory-control shutdowns.

Last week's truck output was estimated at 36,832 units, up from the previous week's 24,619, but down slightly from 37,191 units produced in the comparable 1981 period.

Year-to-date there have been 1,560,993 trucks produced, a 16.33 percent gain from 1,341,892 units completed in the same period last year.

The General Motors Pontiac (heavy-duty and medium-duty) truck lines were closed for inventory control last week. Production of heavy-duty trucks is slated to resume at the plant today (Oct. 18), and medium-duty assembly is scheduled to resume next week (Oct. 25).

Also idle for inventory adjustment last week was Ford Motor's Louisville facility. The point has been operating on alternating-week schedules since Sept. 27.

Chrysler Corp.'s Belvidere point was down last week due to heavy inventories in the field.

Back last week following inventory adjustments were GM's Janesville, St. Louis and Flint (pickup) facilities. Beginning Oct. 25, second-shift operations on the Flint light-truck line will be dropped indefinitely.

Ford's Kansas City, Kentucky, Norfolk, Michigan and Twin Cities truck facilities plus Chrysler's Warren truck point all resumed operations last week after downtime to control overstocked inventory.

Volkswagen of America's Westmoreland plant, idle since June 28, remains closed for model changeover. Production is slated to resume in December.

Dealer's petition to quash subpena denied by FTC

WASHINGTON. — A New Jersey Toyota dealership will have to answer its amended subpena from the Federal Trade Commission in the investigation of whether it and other new-car dealers sell credit life, health or accident insurance as a prerequisite for extending credit.

The New Jersey dealer, Toyota Town of Point Pleasant, Inc., moved more than a year ago to quash the subpena. But the office of the Secretary of the FTC and the commissioners never received the letter sent in November, 1981. Now FTC is denying the petition for reconsideration of the move to quash.

While the FTC has simplified some subpenas, it has continued the nationwide investigation. Motions to quash have been filed by various dealers and finance companies on grounds the McCarran Act prevents the FTC from inquiring into the "business of insurance."

FTC responded that an "investigation of misrepresentations by lending institutions and automobile dealerships which deprive potential borrowers of the ability to assess the terms and costs of obtaining credit falls outside the judicially defined parameters of that business."

It referred to a 1975 case successfully brought against Peacock Buick, a Virginia dealer. That case was upheld by the Fourth Circuit Court.

Recyclers elect

GRAND RAPIDS, Mich. — Larry G. Smith, an owner of Calhoun Auto Parts in Battle Creek, has been elected president of the Automotive Recyclers of Michigan.

2 plants return, auto production doubles in Canada

Last week's Canadian auto production more than doubled the previous week's total as operations resumed at General Motors' Oshawa (No. One) car facility and Chrysler Corp.'s Windsor car point following downtime to control overstocked inventories.

The auto makers targeted output last week at 10,961 units, compared with 5,128 the previous week, and up 26.63 percent from 8,656 in the comparable 1981 period.

The return of three truck facilities helped boost last week's estimated truck production to 9,325, a gain of 148.73 percent over the previous week's 3,749, and about the same as the 9,391 units built in the comparable week last year.

Operations resumed last week at GM's Oshawa (No. One) car facility following one week of downtime to control inventory. The plant will be idled again today (Oct. 18) for another week of inventory control.

Also at GM, the Oshawa truck point returned last week after being idled Sept. 27 for inventory control. Starting Oct. 25, production at the facility will be cut from 720 units a day on two shifts to 360 units a day on one shift. About 1,250 workers will be placed on indefinite layoff.

Ford Motor's Oakville truck point and Chrysler's Windsor car and truck facilities resumed production last week following downtime to control overstocked inventory. Still down at Ford are the Oakville and St. Thomas car points. Oakville is slated to resume today, and St. Thomas is expected to return Oct. 25.

Year-to-date, the car manufacturers have assembled 680,318 units, a 4.60 percent gain over last year's 650,879.

So far this year truck production has totaled 395,966 units, down 2.52 percent from 406,215 finished in the comparable 1981 period.

U. S. CAR PRODUCTION

	Week Ended Oct. 16, 1982	Week Ended Oct. 17, 1981	Week Ended Oct. 9, 1982	Oct. to Date	Jan. 1 to Oct. 17, 1981	Jan. 1 to Oct. 16, 1982
AMERICAN MOTORS	3,770*	.....	3,760*	8,282*	101,572*	70,469*
AMC Total	770*	.....	760*	1,682*	.....	43,769*
Spirit	.....	.....	.....	.....	.....	.....
Concord	.....	.....	.....	.....	.....	.....
Eagle	.....	.....	.....	.....	.....	.....
Renault Total	3,000*	.....	3,000*	6,600*	.....	26,700*
Alliance	3,000*	.....	3,000*	6,600*	.....	26,700*
CHRYSLER CORP.	6,240	17,619	15,221	24,463	637,687	468,651
Plymouth Total	3,140	6,194	6,470	10,698	322,657	189,557
Horizon	.....	2,433	2,297	2,740	124,143	61,038
Reliant	3,100	3,761	4,116	7,850	188,927	127,639
Caravelle ('81)	.....	.....	.....	.....	2,139	.....
Caravelle ('83)	40	.....	57	108	.....	880
Gran Fury	.....	.....	.....	.....	7,448	.....
Chrysler Total	600	3,650	2,427	3,524	34,555	91,920
LeBaron	600	3,650	1,396	2,319	29,693	82,841
Chrysler	.....	.....	.....	.....	4,862	.....
Chrysler E-Class	.....	.....	1,031	1,205	.....	9,079
Dodge Total	2,500	7,775	6,324	10,241	280,475	187,174
Omni	.....	3,447	2,218	2,639	110,471	57,018
Aries	2,200	3,310	3,153	6,077	148,990	98,183
Diplomat	.....	.....	.....	.....	12,644	.....
Dodge 400	300	1,018	447	849	4,688	25,905
Dodge 600	.....	.....	506	676	.....	6,068
St. Regis	.....	.....	.....	.....	3,682	.....
FORD MOTOR	26,357	27,377	13,047	43,394	1,124,444	865,303
Ford Division	17,205	18,120	7,014	26,824	766,399	544,832
Escort	8,294	9,246	1,051	10,231	304,836	218,671
Fairmont	2,878	3,510	.....	3,513	152,394	97,622
Must./Must. II	1,802	.....	1,758	3,942	128,925	103,196
LTD/Granada	4,068	3,853	4,044	8,814	83,416	90,366
Thunderbird	.....	1,233	.....	.....	55,942	29,326
Ford	.....	.....	.....	.....	40,886	.....
EXP	163	278	161	324	905	5,651
L-M Division	9,152	9,257	6,033	16,570	358,045	320,471
Mercury Total	7,090	7,185	3,957	12,019	308,449	244,332
Lynx	1,960	2,471	380	2,510	103,704	67,703
Capri	447	.....	488	1,012	42,378	28,630
Zephyr	856	1,103	.....	997	44,662	31,289
Marquis/Cougar	1,716	1,408	1,570	3,573	37,778	42,136
XR-7	.....	397	.....	.....	26,542	10,580
Mercury	2,039	1,645	1,481	3,817	51,973	62,522
LN7	72	161	38	110	507	1,472
Lincoln Total	2,062	2,072	2,076	4,551	49,596	76,139
Continental ('82)	412	1,036	415	910	5,081	15,754
Lincoln	1,186	646	1,209	2,610	22,034	35,594
Mark VI	464	390	452	1,031	22,481	24,791
GENERAL MOTORS	58,866	73,684	48,687	117,995	3,269,622	2,624,446
Buick Division	13,651	17,942	12,401	28,285	726,995	610,195
Skylark	540	5,806	475	1,131	224,350	114,116
Skyhawk J	1,330	.....	1,532	2,862	.....	55,121
Century	1,780	805	687	2,695	88,648	94,953
Regal	4,100	5,752	3,984	8,893	218,217	167,765
Buick	4,285	4,069	4,230	9,338	139,698	145,208
Riviera	1,616	1,510	1,493	3,366	56,082	33,032
Cadillac Division	4,270	7,006	6,016	11,369	218,860	186,490
Cimarron	395	1,125	523	918	19,656	6,168
Seville	582	861	605	1,305	20,740	17,622
Eldorado	1,313	1,112	1,357	2,908	48,697	45,278
Cadillac	1,980	3,908	3,531	6,238	129,767	117,422
Chevrolet Division	19,070	23,915	13,946	36,831	1,199,699	847,580
Chevette	4,225	7,549	.....	5,192	281,450	174,769
Cavalier	3,910	5,911	3,567	7,477	94,411	74,402
Celebrity	1,300	1	1,425	3,240	841	57,189
Camaro	1,346	.....	205	2,127	87,964	180,414
Citation	2,440	3,567	2,537	5,484	261,938	140,195
Malibu	2,622	3,701	2,880	6,041	192,032	99,726
Monte Carlo	2,438	2,518	2,230	5,022	114,066	62,291
Chevrolet	500	11	489	1,231	142,828	35,791
Corvette	289	657	606	1,017	24,439	22,803
Oldsmobile Division	16,409	15,105	12,580	30,991	699,136	614,721
Omega	.....	2,456	.....	.....	117,850	64,047
Firenza	840	.....	602	1,442	.....	37,130
Cutlass	4,800	4,833	4,792	10,505	317,500	164,316
Cutlass/Ciera	3,520	1,094	.....	3,520	2,033	99,588
Oldsmobile	6,215	5,823	6,115	13,264	225,634	222,955
Toronado	1,034	899	1,071	2,260	36,119	26,685
Pontiac Division	5,466	9,716	3,744	10,519	424,932	365,460
Acadian†	.....	18	.....	37	16,738	9,123
2000	785	2,283	947	1,732	61,187	33,621
1000	1,375	1,824	.....	1,546	72,627	31,166
Firebird	926	.....	144	1,451	43,475	108,162
Phoenix	620	1,346	588	1,281	83,232	39,889
G. Prix/B'ville ('83)	1,760	3,289	1,926	4,166	94,620	113,157
A6000	.....	956	139	306	962	30,342
LeMans	.....	.....	.....	.....	42,027	.....
Pontiac	.....	.....	.....	.....	10,064	.....
VOLKSWAGEN	3,080	4,137	1,482	4,583	137,523	64,794
CHECKER	.....	25*	.....	.....	1,644	2,163*
Total Cars, U. S.	98,313	122,842	82,197	198,717	5,272,492	4,095,826

TRUCK PRODUCTION IN U. S.†

	Week Ended Oct. 16, 1982	Week Ended Oct. 17, 1981	Week Ended Oct. 9, 1982	Oct. to Date	Jan. 1 to Oct. 17, 1981	Jan. 1 to Oct. 16, 1982
CHEVROLET	13,895	9,401	9,437	25,859	381,223	542,065
DODGE	2,200	2,006	265	2,985	75,035	102,359
FORD	13,315	16,466	8,452	24,092	519,388	562,824
GMC	3,592	3,963	2,630	6,941	137,444	189,785
INTERNATIONAL	1,030	1,317	1,035	2,286	59,365	38,836
VOLKSWAGEN	.....	588	.....	.....	33,793	8,103
JEEP	1,750*	2,000*	1,750*	3,850*	78,188*	70,089*
AM GENERAL	50*	50*	50*	110*	3,136*	1,930*
MISCELLANEOUS	1,000*	1,400*	1,000*	2,200*	54,320*	45,000*
Total Trucks, U. S.	36,832	37,191	24,619	68,323	1,341,892	1,560,993

CANADIAN TRUCK PRODUCTION

	Week Ended Oct. 16, 1982	Week Ended Oct. 17, 1981	Week Ended Oct. 9, 1982	Oct. to Date	Jan. 1 to Oct. 17, 1981	Jan. 1 to Oct. 16, 1982
CHRYSLER CORP.	2,124	1,543	1,331	3,895	66,433	82,807
FORD MOTOR	2,513	2,489	231	3,325	113,664	109,351
GENERAL MOTORS	4,480	5,151	1,925	6,767	216,924	195,172
INTERNATIONAL	208	208	562	770	9,194	8,936
Total Trucks, Canada	9,325	9,391	3,749	14,457	406,215	395,966
N. American Trucks	46,157	46,582	28,368	82,780	1,748,107	1,956,959

†—Now includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.

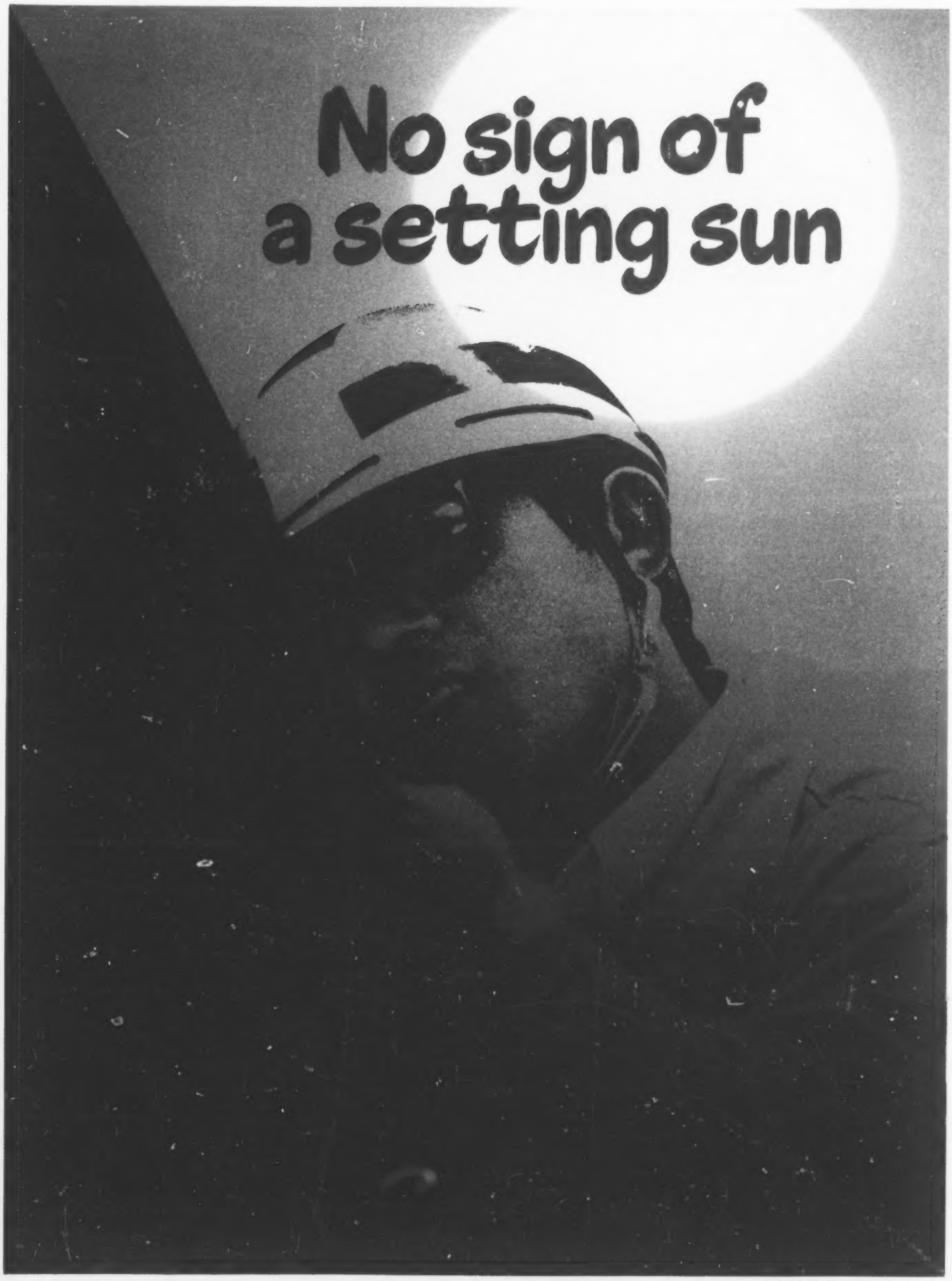
CANADIAN CAR PRODUCTION

	Week Ended Oct. 16, 1982	Week Ended Oct. 17, 1981	Week Ended Oct. 9, 1982	Oct. to Date	Jan. 1 to Oct. 17, 1981	Jan. 1 to Oct. 16, 1982
AMERICAN MOTORS	954	577	844	1,973	27,301	25,846
CHRYSLER CORP.	2,752	990	.....	3,454	48,407	129,102
FORD MOTOR	355	3,031	568	2,125	171,972	231,437
GENERAL MOTORS	6,720	3,878	3,536	11,555	394,944	286,326
VOLVO	180	180	180	405	8,255	8,107
Total Cars, Canada	10,961	8,656	5,128	19,512	650,879	680,818
N. American Cars	109,274	131,498	87,325	218,229	5,923,371	4,776,644
N. American Trucks	46,157	46,582	28,368	82,780	1,748,107	1,956,959
North American Cars and Trucks	155,431	178,080	115,693	301,009	7,671,478	6,733,603

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

Automotive News EXTRA
OCTOBER 18, 1982

THE JAPANESE



By Al Fleming
InJustry Editor

The island nation of Japan is but a speck in the land mass of the world. Yet the Land of the Rising Sun casts a shadow that stretches from its shores in the coastal waters of northeastern Asia to the streets of Europe, the highways of North America and the back roads of Third World countries.

It is a harsh shadow that falls upon the U. S., whose vehicle manufacturers produced three out of every four of the world's cars and trucks in the 1950s but now account for one of five.

The role of the Japanese in America's wavering automotive fortunes cannot be understated. Japan, which turned out only 20,000 cars in 1955, zipped by the U. S. as the world's largest auto producing nation in 1980, built 31 percent of the world's cars in 1981 (the U. S. share was 27 percent) and sends more than half its vehicle output abroad for marketing.

Although General Motors and Ford Motor Co. remain first and second, respectively, among the world's biggest auto producers, Japan's Toyota Motor Co. Ltd. and Nissan Motor Co. are third and fourth, respectively, ahead of No. 5 Volkswagen of West Germany.

With more than 40 percent of Japan's car exports shipped to the U. S. (some 1.7 million last year), Japanese nameplates account for about one in every four new cars sold here, resulting in a U. S. trade deficit with Tokyo last year of $13 billion in autos alone.

How the Japanese auto industry achieved this phenomenal growth has captured the attention of people the world over, involving as it does a complex web of international social, economic and political factors.

Indeed, analyzing the reasons for Japan's success has become an industry in itself, although Ford Motor Co. president Donald Petersen declares matter-of-factly, "It's no secret or mystery. Japanese producers brought to the U. S. market products that delivered on quality, fuel economy and price. They also had a sizeable labor cost advantage and a full complement of cars designed for their own fuel-stingy home market, at a time when U. S. producers were caught short by the energy crunch."

Petersen believes it will take the rest of the 1980s for the American auto industry to become fully competitive again.

Less charitable in his appraisal of Japan's good fortune, Chrysler Corp. board chairman Lee Iacocca, among others, charges the Japanese government with subsidizing companies by giving them low-interest financing for products they export to the U. S. and rebating commodity taxes paid in other countries, while manipulating

Continued on Page E-20

Decline in foreign demand poses serious problems for Japanese steel industry

The extraordinary growth experienced by the Japanese steel industry in the 1950s and 1960s slowed considerably in the 1970s, with annual raw steel output growth under one percent since 1970-'74 versus double digit rates of the preceding two decades.

The reason is declining demand from both domestic and foreign customers. Growth in Japanese consumption of steel mill products has slackened due to slower growth in gross fixed capital formation, and a shift in investment capital away from the more steel-intensive industries to the high technology and services sectors, according to Predicasts, Inc.

More damaging to the Japanese steel industry, however, has been the decline in foreign demand. Although still the world's leader, Japan's steel exports have fallen 17 percent since 1976 due to a combination of recession-induced declines in demand from industrialized nations, the development of formidable domestic steel industries by many of Japan's traditional trading partners and emergence of South Korea as a major competitor for the large Chinese market.

Unlike most industrialized nations, however, the Japanese steel industry has remained profitable in the face of world recession as new, efficient production facilities and high labor productivity keep production costs low and permit Japanese steel products to remain competitively priced.

In addition, Japanese producers are able to maintain tight profit margins due to easy access to external bank financing on favorable terms, and close cooperation with the central government.

Accompanying tables indicate that four Japanese companies—Nippon, Nippon Kokan, Sumitomo and Kawasaki—rank among the world's top eight steel producers, with another, Kobe, in 18th place, and that Japanese steel production is expected to climb from 111.4 million metric tons in 1980 to 117.5 million in 1985 and 139 million in 1995.

Another table shows use of metal in Japanese cars dropped from 86.1 percent of the typical car's total weight in 1975 to 83.6 percent in 1980, with nonferrous metals climbing slightly.

High-strength sheet metal, known in Japan as High-Ten, has been the greatest beneficiary of automotive weight reduction in the country. Reportedly it comprises nine to 10 percent of new Toyota Celica and Nissan Sentra models, while Honda's new 1,440-pound City mini-car contains nearly 70 pounds. The Japanese credit their innovative steel companies with developing the product.

JAPAN STEEL PRODUCTION FORECAST

(million metric tons)

	1980	1985	1990	1995
Raw Steel Production	111.4	117.5	129.0	139.0
Electric	27.3	29.5	35.0	40.0
Oxygen	84.1	88.0	94.0	98.5
Other-Advanced	.....	.....	.....	.5

Source: Predicasts Inc.

METALS IN JAPANESE CARS

(in percentages)

MATERIALS	1975	1980
Cast iron	3.2	2.7
Sheet steel (hot-rolled)	14.9	13.6
Sheet steel (cold-rolled)	39.0	35.4
Coated sheet	1.6	7.1
Bar steel (plain carbon)	9.3	7.1
Bar steel (alloy)	6.7	4.7
Spring steel	2.2	1.5
Stainless steel	0.3	0.9
Pipe	2.3	2.4
Others	1.5	2.6
Ferrous Total	**81.0**	**78.0**
Aluminum	2.9	3.3
Copper	1.0	0.8
Lead	0.6	0.8
Others	0.6	0.7
Nonferrous Total	**5.1**	**5.6**
Metal Total	**86.1**	**83.6**

Source: Japan Automobile Manufacturers Association

WORLD'S LARGEST STEELMAKERS

	Company	Country	Million metric tons
1.	Nippon Steel	Japan	32.9
2.	U. S. Steel	U. S.	21.1
3.	Nippon Kokan (NKK)	Japan	16.2
4.	Finsider	Italy	14.3
5.	Bethlehem Steel	U. S.	13.6
6.	Thyssen AG	W. Germany	13.2
7.	Sumitomo Metal Industries	Japan	12.7
8.	Kawasaki Steel	Japan	12.7
9.	ARBED	Luxembourg	12.0
10.	UNISOR	France	10.8
11.	Estel Hoesch	W. Germany	10.1
12.	Siderbras	Brazil	9.4
13.	Jones & Laughlin	U. S.	8.8
14.	British Steel Corp.	U.K.	8.4
15.	Republic Steel	U. S.	7.7
16.	Sacilor	France	7.6
17.	Broken Hill Proprietary	Australia	7.5
18.	Kobe Steel	Japan	7.4
19.	Iscor	S. Africa	7.0
20.	National Steel	U. S.	6.9
21.	Armco Steel	U. S.	6.6
22.	Inland Steel	U. S.	6.4
23.	Pohang (POSCO)	S. Korea	6.2
24.	Stelco	Canada	5.7
25.	Krupp	W. Germany	5.6

Source: Predicasts Inc. data for year 1980.

Toyo Kogyo's new assembly plant is one of world's most advanced

HUFO CITY, Japan.—One of the world's newest technologically advanced car assembly facilities started producing Mazda automobiles here September 20.

The plant, located 56 miles west of Toyo Kogyo Co.'s primary manufacturing facilities in Hiroshima, incorporates "a physical representation of the company's primary philosophy in building the plant — creating harmony between human and material elements," according to Toyo Kogyo officials.

Located on a site of 198 acres, the 1.5 million square-feet plant is devoted to stamping, body assembly, painting and final assembly. Construction of the plant was completed just 18 months after ground breaking, at an approximate cost of $150 million.

Opening of the facility marks the end of Mazda's 51-year history of single location vehicle production in Hiroshima.

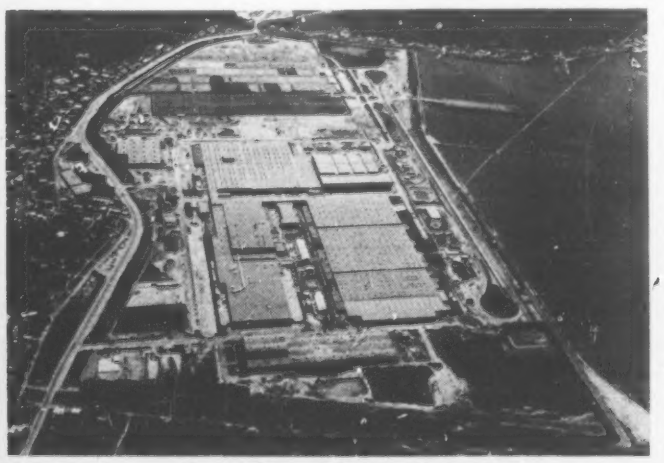
Among work environment improvements are automated and robotized handling of heavy welding, body paint spraying, and other heavy or uncomfortable jobs; well-lighted and brightly painted work areas; a tilt-hanger conveyor belt on the final assembly line that eliminates the need for under-the-line pit; and a wide slat-type conveyor belt elsewhere on the final assembly line that allows workers to stand on it while working on a car, rather than having to walk down the line as they work.

Dust prevention measures in the paint shop include a two-door entrance with an air shower in between, higher atmospheric pressure in the shop to keep air flowing out to other parts of the plant, and a steel net floor with water underneath to trap falling dust.

Any worker along the three-section 4,600-foot final assembly line can stop a section of the line to correct defects or get extra help simply by pulling the string which runs along the line.

The plant can run nine body types in a total of three entirely different model lines simultaneously on one assembly line. This permits quick change of the production model mix according to shifts in market tastes, and reduces the downtime of the plant required for new model start-up.

The Hofu plant's 1,800 workers and 155 robots will build 20,000 completely assembled and 7,000 complete knocked-down passenger cars per month.



The Hofu plant is 56 miles from Hiroshima.

Yokohama seeks niche in U.S. high-performance tire market with two new radial entries

By Matt DeLorenzo
Los Angeles Reporter

RIVERSIDE, Calif — Yokohama Tire Corp. has two major goals in the U. S., says president Toshikiko Hiyama: To make a name for itself in this country ... to become prominent in the high-performance tire market.

To that end, the company, here in late summer, introduced two new performance tires designated Y352 and AX320. Soon after the first of the year an even higher-performance tire, called the Advan, is scheduled for unveiling.

According to B. H. "Andy" Anderson, director of sales for Yokohama in the U. S., the first pair of products are positioned in the performance market "with different categories in mind." The Y352 is aimed at "serious enthusiasts" and will compete against such products as Goodyear NCT, Pirelli P6 and Bridgestone Potenza. The AX-320 is intended for "those looking for good ride characteristics."

For now the Y352 is the company's top-line performance tire, a 60 series available in seven sizes. The steel-belted radial uses bead apex filler technology to increase sidewall stiffness.

While the Y352 uses a single steel belt, the AX320, offered in five sizes, has two belts, one steel the other Kevlar. Called duo-dynamic construction, the steel belt provides rigidity for high performance, while Kevlar provides flexibility for a softer ride. The Kevlar belt, laid on top of the steel belt, is folded at both edges to increase the strength of the belt edge. As a result, tread deformation is kept at a minimum, reducing rolling resistance and uneven wear.

The Y352 is offered as original equipment on some vehicles coming from Japan, but to date there is no OE application of the AX320.

Anderson says the tires will be marketed through independent tire dealers and the company isn't contemplating a network of company-owned stores. "Sixty-five percent of the tires sold in the U. S. are sold through independent dealers," Anderson says. "We have 300 dealers nationwide, and our goal is to increase sales by 30 to 40 percent over the next year and in three years double its market penetration."

According to Hiyama, the company accounts for 24 percent of OEM tire applications in Japan, and a similar share of OE tires on Japanese models imported into the U. S. Toyota, Nissan, Isuzu, Mitsubishi and Honda use Yokohama tires on some models.

The Y352 is used on Mitsubishi's new Starion sports coupe, but carries the Goodrich name due to a license agreement between the companies.

Hiyama says the company is moving away from that arrangement and eventually the tires will bear the Yokohama name.

"We did it (used the Goodrich name) initially because the brand acceptance was much better," Hiyama says. Now, however, Yokohama is out to make a name for itself in the U. S. "First we must build up the image of Yokohama tire," he says, adding that the company wants to become a leader in high-performance tires.

The two new tires were introduced earlier in Japan and have helped Yokohama take 35 to 40 percent of the high-performance segment of its home market. Yokohama hopes to transfer that success to the U. S., and its forthcoming 50 series Advan tire will be an important part of that push.

Seven Japanese importers in U.S.

By Matt De Lorenzo
Los Angeles Reporter
John A. Russell
New York Staff Writer

Sales of imported makes take more than one out of four new-car sales in the U. S. market, and Japanese brands account for eight out of 10 import sales — well over a million units a year.

The seven importers of those Japanese nameplates are profiled in this article.

•

American Honda Motor Co. Inc.

Although American Honda has been selling cars in the U. S. for only a dozen years, it ranks third in volume among import nameplates. Last year the company sold more than 300,000 vehicles with only three basic models—Civic, Accord and Prelude—in its lineup.

The company had a headstart in brand recognition by playing a dominant role in the rapidly expanding U. S. motorcycle market during the 1960s.

Honda's car fortunes still are tied closely to the motorcycle business. Although the company maintains separate sales and service staffs for cars and cycles, its general administration and parts distribution network are shared by the automobile and motorcycle divisions.

Just as motorcycles preceded cars for Honda in the U.S., the company's Marysville, O., motorcycle assembly plant was a precursor of the automobile factory that is to follow.

The motorcycle plant alone represents an investment of $35 million and employs 400 workers. Situated on 864 acres, the facility not only builds motorcycles for sale in the U. S., but units that are exported to Europe as well. Adjacent to the Marysville site, Honda next month begins to assemble Honda Accords in a $200 million plant that has taken two years to construct. When fully operational, it will employ about 2,000 persons and by May 1984 is scheduled to be producing Accords at the rate of 150,000 a year.

The two plants administered by Honda of America Manufacturing Inc., represent a $36 million annual payroll for the combined workforce of 2,400.

American Honda, headquartered in Gardena, Calif., was established in 1959 to handle sales and distribution of all Honda products in America. The first products were motorcycles and power products. It wasn't until 1970 that Honda began selling cars here. Today American Honda has more than 800 car dealers, 1,780 motorcycle dealers and 3,000 power product dealers in the U. S.

As Honda's success in the U.S. car market grew, the company began branching out into other areas. One subsidiary, Honda International Trading Corp., was established in 1972 to utilize car-carrying ships returning to Japan. HIT, as it's called, exports American-made items such as golf clubs, coffee makers, towels and toys to be sold to company employes in Honda company stores.

California Honda Air Conditioning Inc. (CALHAC) was formed in 1978 to assemble and install air conditioning units at the port, and exports partially assembled units for installation on cars sold in the home market.

Toyota Motor Sales U.S.A. Inc.

Toyota Motor Sales U.S.A. marks its silver anniversary in the U. S. this fall, holding the preeminent position as the nation's leading auto import nameplate. In 1981 the company sold more than 700,000 vehicles, a far cry from the 300 cars retailed in 1957, its first full year of operation here.

The present leadership position also contrasts sharply with 1961 when Toyota actually withdrew from the U. S. car market, maintaining its only presence here for three years with its Land Cruiser utility vehicle. The first Toyota, called Toyopet and later renamed Toyota Crown, fell short of the mark in performance, styling and equipment in the eyes of U. S. buyers.

Toyota literally returned to the drawing board to come up with the successful Corona, and the rest is history.

With headquarters in Torrance, Calif., Toyota Motor Sales, its subsidiaries and distributors, employ 2,887 persons. The dealer body consists of 1,098 franchises employing an additional 31,145 workers. On annual company sales of more than 700,000 vehicles, an average Toyota dealership retails 528 units per year, more than three times the industry norm.

In expanding its sales network in the U. S., Toyota relied heavily on independent distributors located in various regions around the country. Although Toyota Motor Sales has a regional sales and service organization of its own, three independent distributors still exist: Mid-Atlantic Toyota, Southeast Toyota and Gulf States Toyota. The rest of the country is served by Toyota's 10 regional offices.

Facilities and land owned or leased by Toyota are valued at over $148 million and cover 603 acres. Toyota's independent distributors have an additional 178 acres and facilities valued at $32 million. Dealers have property and land in excess of $1 billion. A new $50 million Toyota national headquarters building, nearing completion in Torrance, is expected to open this fall.

Toyota Motor Manufacturing, Long Beach, Calif., produces truck beds for Toyota's line of pickups. More than 600,000 truck beds have been produced at the plant since its start 10 years ago. In 1980 the plant was expanded at a cost of $50 million and output was boosted to 150,000 units per year. About 400 workers are employed there.

American Isuzu Motors Inc.

Japan's oldest car manufacturer, Ishikawajima Shipbuilding Co., which became Isuzu Motors Ltd. in 1949, is one of the newer auto import companies in the U. S.

Its subsidiary, American Isuzu Motors Inc., was established in the U. S. in June 1980 with headquarters in Whittier, Calif. The company is owned 80 percent by Isuzu Motors Ltd. and 20 percent by C. Itoh & Co. Ltd., one of Japan's largest trading companies.

With authorized capital of $20 million, the American company has been able to establish 205 full-line dealers in 28 states and 120 truck-only dealers in 21 additional states, for market representation in the entire continental U. S.

American Isuzu employs 190 persons and has a 233,000-square foot building on 12 acres in Whittier that acts as national headquarters, Western regional office and master parts depot. Outside Atlanta in Norcross, Ga., the company's Southeastern regional office is located in a 57,000-square-foot building on seven acres. Isuzu's Central regional office is in the Chicago suburb of Elk Grove Village. The company plans offices in the New York/New Jersey and Dallas areas.

American Isuzu is headed by Yukio Itagaki, who joined the parent company in 1952. Itagaki spent four years in the U.S. during the early '60s in Isuzu Motors' Los Angeles liaison office, and upon returning to Japan was named general manager of the Export Division of Isuzu Motors Ltd. When the U. S. company was formed, Itagaki was tapped to become its first president.

American Isuzu's senior vice president and general manager, John E. "Jack" Reilly, is a 25-year auto industry veteran who worked for GM, Volkswagen of America and its Porsche-Audi Division, and later for two Toyota distributors.

Also at the senior vice president level are Masafumi Yamagiwa and Sadao Matsumura. Yamagiwa is senior vice president - manufacturer relations, while Matsumura holds the post of senior vice president and chief financial officer. Robert McClure is American Isuzu's vice president-parts & service.

Senior managers include: Paul Barnum, national service manager; William Bucher, national parts manager; Thomas Conley, national sales manager, and E. Fritz Kern, national marketing manager.

Department managers include: Taizo Azabu, data processing; Michael Brescini, dealer development; Rolf Meyer, administration; Gerard Murphy, product quality / development; Gregor Sedoff, vehicle supply; Ken Tremayne, advertising; Thomas Weaver, personnel; Hisao Yasuda, finance; Leon Rosen, merchandising; and Glenn Howell, public relations.

Nissan Motor Corp. in U.S.A.

After more than two decades of selling cars in the U.S., Nissan soon moves into a new phase, that of manufacturer through its Nissan Motor Manufacturing Corp. U.S.A. (NMM) subsidiary.

However, it is Nissan Motor Corp. in U.S.A. (NMC), distributor of Nissan and Datsun cars and trucks, that made the company's mark in this country, now ranking second in volume among import nameplates.

Founded in 1960, NMC began in earnest what two independent distributors had tried two years earlier: Introducing the Datsun nameplate to an untapped U.S. market. The company's first president, Takashi Ishihara, is now chairman of the parent company in Japan, Nissan Motor Co. Ltd., and president of the Japanese Automobile Manufacturer's Assn.

Along with selling the small Datsun 1000 Bluebird car, NMC helped pioneer a new U.S. market segment, the mini-pickup truck. Two decades later, the company is preparing to open its first U.S. manufacturing plant in 1983 to produce—ironically—mini-pickups.

Located on 825 acres in Smyrna, Tenn., the plant, with 3.2 million square-feet of floor space, represents a capital investment of $500 million. An additional $160 million will be spent making the plant operational.

The factory is expected to employ 2,600 workers and produce 156,000 trucks a year. Annual payroll will amount to $90 million. The facility, now 75 percent completed, is scheduled to begin production next August.

It represents the largest investment Nissan has made outside of Japan, and with 220 robots will be Nissan's most automated plant. The complex includes a stamping plant, body and frame assembly area, and paint, trim and chassis line.

While the plant is under the auspices of NMM, Nissan's 1,093-member U.S. dealer body remains the responsibility of NMC. The distributor employs 1,874 persons operating out of the company's headquarters in Gardena, Calif., and 12 regional offices throughout the country. NMC has 10 other facilities for parts and service, and eight ports of entry.

Mitsubishi Motor Sales of America Inc.

The latest import entry in the U. S. market from Japan is Mitsubishi Motor Sales of America Inc. (MMSA). Although Mitsu-

Continued on Page E-9

Where Japan's exports went

	6 mos., 1982	6 mos., 1981
South-East Asia	261,501	321,892
Middle East	362,508	226,159
Europe	551,000	687,632
North America	1,200,905	1,305,665
Central America	63,101	74,781
South America	57,065	144,725
Africa	160,345	244,494
Oceania	228,165	185,801
Others	7,111	4,674
Total	2,891,701	3,195,823

Japan's top export markets

(First-half 1982 and 1981)

1982		1981	
1. U. S.	1,090,168	U. S.	1,174,346
2. Saudi Arabia	188,874	West Germany	172,341
3. Australia	155,277	UK	131,973
4. Canada	110,737	Canada	131,319
5. UK	107,958	Australia	127,306
6. West Germany	103,035	Saudi Arabia	114,903
7. Indonesia	78,373	Indonesia	95,159
8. New Zealand	62,166	Chile	79,534
9. Iraq	51,137	Nigeria	70,013
10. South Africa	49,561	Belgium	64,174

Source: JAMA

Isuzu will sponsor San Diego golf tourney

SAN DIEGO. — Next year's San Diego Open golf tournament will be a mouthful — the Isuzu-AWSDO. Translation: The Isuzu-Andy Williams San Diego Open.

Mayor Pete Wilson and executives of the automobile importer announced that Isuzu will be the 1983 tourney's major financial angel, with a year's expenditure of an estimated television coverage Feb. 19-20.

Datsun deal celebrates with champagne, orchids

PORTLAND, Conn.—Marking its 14th anniversary, Route 66 Datsun served champagne and other refreshments on a Friday and Saturday.

There were orchids for the ladies, and the dealership offered free car washes "by experts, on the house, while you party."

Cars most free of troubles in Germany is made in Japan

Mazda 626 is the most trouble-free car among all 78 models sold in West Germany, according to the West German Technical Inspection Assn. (*Technischen Uberwachungs Vereine*) on the basis of that nation's mandatory auto inspection program which requires owners to have their vehicles inspected inspected every other year.

The 3,450 Mazda 626 units tested had a "trouble ratio" of 2.9 percent. That measures the number of vehicles inspected that have to be rechecked due to serious repair problems.

Following Mazda 626 in order among top 10 finishers are Audi 100, 3.4 percent; Toyota Starlet, 3.7 percent; Peugeot 305 and Toyota Corolla, 3.9 percent; Audi 80 and Toyota Celica, 4 percent; Mercedes-Benz 200-280E, 4.2 percent; Volkswagen Passat and Opel Commodore, 4.5 percent.

Average odometer reading of the Mazda 626s inspected during the period covered by the report was 30,000 kilometers.

Mazda 626 is a winner in Germany.

With limits on U.S. imports, Japanese makers shift effort to higher-priced luxury lines

By Matt DeLorenzo
Los Angeles Reporter

As U. S. import restrictions enter their third year, Japanese auto manufacturers will continue to concentrate their efforts in larger, more expensive cars, while carving out new niches in the North American market.

Virtually all entries except Toyota's new Tercel will be positioned outside the traditional import stomping ground of high-volume, low-priced models.

Many of the 1983 model introductions will begin next month and continue through the spring with most of the action centered around Nissan Motor Corp.

• Nissan will begin replacing the Datsun 310 with the Nissan Pulsar series beginning in November. Pulsar NX, a sporty two-door notchback, will bow first, opening a new market segment for Nissan.

Equipping Pulsar NX with retracting headlights, standard sunroof and numerous other amenities, the company hopes to attract a slightly upscale, predominantly female market.

Pulsar NX will be positioned against Ford EXP, Mercury LN7 and the current Honda Prelude. The new model is being counted on to retain sales levels that may be lost due to soft demand for the 200SX.

The Pulsar debut will extend into spring when two- and four-door hatchback versions are offered. More conventional in appearance, they will carry a high level of equipment compared to the Sentra series and will be priced accordingly.

The two-stage intro of Pulsar will allow dealers time to clear out stocks of 310s.

Also scheduled for mid-year introduction is a turbocharged NX model to be positioned against sport coupes of the Volkswagen Scirocco genre.

Midyear will be especially busy for Nissan since a new truck also is scheduled to debut. The truck, initially brought in from Japan, eventually will be built at Nissan's new Smyrna, Tenn., assembly plant. Another midyear entry will be a notchback version of the Stanza.

In the area of new market segments, Nissan had planned to import the Ambivan, a van-like vehicle built off the Stanza platform, at midyear. However, those plans for the vehicle, called the Prairie in Japan's home market, recently were shelved due to uncertainty over import restrictions. Both import and domestic competitors were anxiously waiting for Ambivan to bow in the U. S., to see if mini-vans can live up to the potential shown in consumer clinics.

• The only truly low-priced high-volume entry in the small car market offered by Japanese makers this year is Toyota Tercel. Even this economy car is offered with a market-niche twist, however, with introduction of the four-wheel-drive Tercel wagon.

Although the regular Tercel line will carry the banner for Toyota in the volume segment, interest in the wagon as an innovative product will add to Toyota's image as an industry leader.

Corona, a mainstay in the middle of Toyota's lineup, was dropped this year. However, the company is preparing a replacement, the front-wheel-drive Camry, slated for mid-'83 intro. This model will appeal to upscale customers, a segment that is still buying cars. These more profitable products are an important factor in the face of import restrictions.

• A Mazda revamped 626 line follows the trend towards bigger, more luxurious cars among Japanese manufacturers. The new Mazda model, featuring front-drive, will be targeted at Honda Accord-type buyers.

In addition to two- and four-door notchbacks, the 626 also will be offered in hatchback, giving it a one-up on Honda. Nissan's addition of the notchback Stanza will further increase the competition.

In keeping with the philosophy of maximizing profits under import ceilings, talk has surfaced that Mazda is considering U. S. import of the high-line Cosmo/Luce series, giving Mazda a car that could go head-to-head with Nissan Maxima and Toyota Cressida.

• A new Prelude equipped with a V-6 engine is being readied by Honda with introduction scheduled possibly as early as the start of the calendar year. The bigger engine indicates Honda is setting its sights on the Datsun 280ZX/Supra market segment. Prelude, with boxy styling, front-drive and four-cylinder engine, was unable to crack that market, but the infusion of more horsepower and new sheetmetal may give Honda an image-building performance car.

As Honda unveils the image car, the company also will build Accord production capacity at its Marysville, O., plant. A major challenge facing the company is convincing U. S. buyers that the American-built Accord is as good or better in quality than its Japan-made counterpart.

U. S. production of Accord will take some pressure off the company imposed by import restrictions. With added capacity to play with, Honda could conceivably pioneer the minicar market in the U. S. by importing its City model. If so, there would be an element of irony in the move, since the N600 minicar introduced by Honda in 1970 initiated the company's involvement in the U. S. car market.

• American Isuzu has been in a holding pattern since import restrictions were imposed, offering I-Mark two- and four-door sedans in 22 states and trucks throughout the country. Next spring the company will introduce its long-awaited Impulse sport coupe. Impulse was introduced early this year under the Piazza nameplate in the Japanese market.

• With Nissan's Ambivan on hold, speculation is Mitsubishi may be one of the first Japanese companies to enter that market with its Super Space Wagon (SSW) in 1984. This cross between a station wagon and van would complement the wagonless lineup of Starion, Tredia and Cordia.

Introduced in Japan as Piazza, this sporty two-door will bow in the U.S. next spring as the Impulse.

Toyota's Tercel 4WD Wagon has full-time front-wheel-drive that converts to four-wheel-drive with the shift of a lever.

New Car Sales in Major Markets

(Thousands of Units)

	1982		1983		1984	
	Units	% Share	Units	% Share	Units	% Share
U. S.	8,433	29.6	9,678	31.7	10,521	32.8
Japan	3,133	11.0	3,230	10.6	3,314	10.3
W. Germany	2,399	8.4	2,570	8.4	2,635	8.2
France	1,985	7.0	2,092	6.9	1,962	6.1
Italy	1,689	5.9	1,601	5.2	1,650	5.1
U.K.	1,530	5.4	1,640	5.4	1,611	5.0
Canada	963	3.0	995	3.3	967	3.0
Others	8,423	29.6	8,713	28.5	9,415	29.4
Total	28,455	—	30,519	—	32,075	—

Growth Prospects for Auto Sales in Major Markets

Average Annual Percent Growth Rate
1979 to 1983-1985 Moving Average

Real Disposable Income	+2.3%	+ 1.2%	+3.7%	+1.9%
Unemployment Level, 1979 (Millions)	6.1	5.2	1.2	0.8
Unemployment Level 1983-1985 Moving Avg. (Millions)	9.1	9.1	1.4	1.2*
GNP Price Deflator	+7.5%	+11.7%	+3.3%	+9.4%
Stock of Cars on Road	+0.7%	+ 1.3%	+3.0%	+2.2%*
New Car Sales	(−0.4%)	+ 0.4%	+1.4%	(−0.1%*)
Sales Level for 1984	10.1	7.9	3.3	1.0*

* Based on 1984 levels, not 1983-1985 moving average.

Car Production in Major Producing Countries

	1981		1984	
	Units	% Share	Units	% Share
U. S.	6,251,000	27.9	8,219,000	32.1
Japan	6,974,000	31.1	7,632,000	29.8
W. Germany	3,578,000	15.9	3,621,000	14.2
France	2,612,000	11.6	2,632,000	10.3
Italy	1,258,000	5.6	1,420,000	5.6
U.K.	955,000	4.3	1,095,000	4.3
Canada	807,000	3.6	960,000	3.8
Total	22,435,000	—	25,579,000	—

Source: DRI.

28.4 million '82 sales worldwide are forecast

Worldwide auto sales are forecast at 28.4 million for 1982, according to Otto Eckstein, chairman, Data Resources Inc. This is well below the all-time peak of 30.5 million in 1979, but up 2.6 percent from 1981.

Figures for the seven major markets (accompanying table) show the U. S. will account for 29.6 percent of all new cars sold in the world this year, followed by Japan (11 percent).

Eckstein predicts that while new car sales in the U. S. climb from a 32.8 percent share of the world total by 1984, Japan's share will fall to 10.3 percent.

Another table, however, showing growth prospects for auto sales in major markets worldwide (1979 to 1983-'85 moving average) shows that growth in Japan of unit new-car sales and stock of cars on the road will lead other major markets.

A table on car production in major producing countries shows output in the U. S. climbing to 8.2 million units in 1984 (32.1 percent of the world total) and Japan reaching 7.6 million (29.8 percent).

High prices, not laws, block entry to Japan

Claims by European and U. S. auto makers that they cannot sell in Japan on account of discriminatory legislation and complex type approval procedures are unfounded, says an investigation by the Economist Intelligence Unit.

The main reason that volume imports do not sell well in Japan is that foreigners can rarely compete with Japanese models on price, since the latter's productivity is significantly higher.

The report brings together the areas of safety and consumer protection law and regulations under one cover for the first time.

The tariff wall which protected the industry in its infancy has long since been removed.

"Japanese safety standards are less demanding than those of the U.S.A. and there is very little danger of product liability litigation and the award of excessive damages," says the report.

"There are stringent emission control regulations, but these are necessary for a small but heavily industrialized and densely populated archipelago."

It does not foresee much change in this area. And while the Japanese are less inclined to go to law over shoddy goods than Europeans or Americans, there are signs that the attitude is changing, particularly where the offending article is a food or a drug.

The report makes the point that the only foreign volume manufacturer to have made any progress in Japan is Volkswagen. But luxury car makers who do not compete on price have less difficulty in Japan.

Japan's Ministry of Transport has now authorized four centers in Europe—in France, West Germany, Italy and the UK — to carry out type approval tests on its behalf.

Japanese auto industry a post-war phenomenon —It's short on tradition, but long on vigor

Updated reprint from Automotive News, *Sept. 1, 1980.*

By Richard A. Wright
Assistant Managing Editor

"Made in Japan."

In earlier days — before the Korean War—"made in Japan" connoted a "cheap imitation" and second rate quality. But during the Korean War, American photographers who needed replacements for their expensive German cameras and lenses found that the less-costly Japanese products were as good or better.

Old concepts die hard and when Americans began getting interested in little foreign cars during the '50s, they thought in terms of German, British, Italian or French, not Japanese.

The first Japanese cars were sold in the U. S. in 1958, when Toyota sold 274 Toyopets and 52 Datsuns were registered. Almost all of these cars (264 Toyopets and 37 Datsuns) were sold in California.

In those days, Americans knew the Japanese made good cameras and electronic equipment, but there was still enough of the old "made-in-Japan" doubts to keep most from seriously considering purchase of something as important as a car that was made in Japan.

Now, with Japanese nameplates taking about one out of every five sales in the U. S., the major reasons advanced for the success of the Japanese cars are fuel economy and, most importantly, higher quality.

• A Japanese nameplate, Mazda, is the only car in the world to be successfully marketed with a Wankel rotary-piston engine. The Germans, famed for their engineering, tried it and failed. General Motors, also no slouch at engineering, gave up on it before ever getting close to the marketplace.

Another Japanese car, Honda, is the only car in the world being marketed with a stratified charge engine. Ford Motor Co. has been working on its PROCO engine for years, but is still far from marketing it.

Japanese cars have sold well in Europe against European cars, so it is not just a weakness of American cars that accounts for Japan's amazing success in the U. S. They obviously have an attractive product to sell.

Even American automotive people admit that the quality of finish on Japanese cars is very high. They are less expensive than many European cars. Their technology is advanced. "Made in Japan" is now a stamp of quality.

The Japanese auto industry has now surpassed the U. S. industry in auto production. This is impressive progress for an industry which really did not take shape much until after World War II.

And Japanese imports in the U. S. have come a long way since the Toyopets of the late '50s and early '60s, which were built for Japanese roads and driving habits and did not hold up under the high-speed, long-distance driving characteristics of the U. S.

In fact, Japanese firms were building cars in the early part of this century, but its industry could not be compared with that of the U. S. or Europe.

The first car built in Japan was put together in 1902 by two engineers named Uchiyama and Yoshida. Yoshida later became president of Tokyo Jidosha Seisakusho, which was the first auto maker in Japan. It produced the conventional four-seat Takuri from 1907 to 1909.

There were a few other early car builders, but most of the major Japanese makers of today began producing cars in the '50s and '60s.

The exceptions are the two biggest makers, Toyota and Nissan. Nissan builds the Datsun car, but the car name is much older than Nissan. In 1912, Kwaishinsha Motor Car Works began work on an experimental car, which was put into production in 1914. It was called the Dat, derived from the initials of the partners, Den, Aoyama and Takeuchi.

In 1926, Kwaishinsha merged with Jitsuyo Jidosha Seizo to form Dat Automobile Mfg. Co., at which time the company quit making the Dat. JIS had also been producing a car called the Lila, but that production ceased also. Dat produced trucks exclusively until 1930.

Dat returned to car assembly in 1931 with the son-of-Dat, or Datson. Datson was changed to Datsun in 1932 in order to make use of the Rising Sun emblem.

The company underwent a couple more name changes, then became Nissan Motor Co., in 1933. The Datsuns of the '30s were built in a full range of body styles and were based closely on the British Austin Seven.

• Many Japanese cars of this era were copies of U. S. or European models. After the war, the 1948 Datsun looked like an American Crosley and a British-looking sports car was added in 1952. In the '50s, Japanese makers began to develop a more Japanese look.

Toyota Automatic Loom Works began experimenting with cars in 1935. Its first six-cylinder cars looked remarkably like the Chrysler Airflow. During World War II, Toyota built a car that was a dead ringer for the last pre-war Plymouth.

The Toyota company was owned by the Toyoda family. The slight change in name was made because the family thought Toyoda was more difficult to pronounce than Toyota. Americans, of course, pronounce both the same.

After World War II, Toyota began building a quite unusual-looking four-cylinder car which was the first to bear the name Toyopet.

Both Toyota and Nissan began exporting cars to the U. S. in 1958. In 1958, sales of Datsun totaled 1,003 and Toyopet 919. Both nameplates drifted along without making much of a dent in the U. S. market.

In fact, the cars were not right for the U. S. market and the Japanese pulled back to study the situation and retrench. They studied U. S. marketing techniques, built up sales and service networks, designed cars to appeal to U. S. buyers and began to move up the sales charts in the late '60s.

The Japanese were not the only makers to come into the U. S. market only to get booted back out. The most popular imports in the early pre-war days were Volkswagen, Renault and MG. VW had a product that captured the U. S. imagination. It had a Model A-type personality and it prospered beyond anyone's wildest dreams. And the MG appealed to a hardy band of sports-car nuts who would put up with pretty much anything.

But the Renault Dauphine had not been designed with the U. S. in mind and people who drove them at high speeds for long distances found that they couldn't take it.

A wide range of foreign cars, from English Fords to German Borgwards to Czech Skodas met similar fates. For many years, the only imports that built up a following in the U. S. were the VW Beetle, sports cars and high-priced luxury cars.

The Japanese changed that in the '60s and '70s, when they made the small, economy sedan a big seller against the Beetle and, later, the VW Rabbit.

The Japanese clearly learned their lessons in the U. S. market well and other nameplates followed Toyota and Datsun across the Pacific.

In 1960, there were registered in the U. S. 73 Princes. The Prince was introduced in 1952 and named in honor of Crown Prince Akihito. It was built in the former Tachikawa Aircraft works, which started producing an electric car called the Tama after World War II, then switched to the gasoline Prince. Prince Motors became a division of Nissan in 1966.

Prince sales never amounted to much in the U. S. Prince sold for example, 42 cars in 1963 and 13 in 1964, hardly a growth pattern. That was its last year in the U. S.

In 1966, Daihatsu and Isuzu made their first appearances in the U. S. market. The Daihatsu company was formed in 1907 to produce internal combustion engines, but did not build its own cars until 1954, when it introduced the three-wheeled Bee. In 1963, the Compagno line of four-wheel cars appeared, powered by 797-cc engines.

Daihatsu had a short run in the U. S. market, with not quite 100 cars registered from its introduction in 1966 to 1968, when it faded from the scene.

The Isuzu didn't fare much better in its first venture into the U. S. It, too, faded in 1968, with registrations of 148 in 1966, five in 1967 and seven in 1968.

But Isuzu returned to the U. S. market in 1976 in the guise of General Motors' Opel. GM had halted import of its German-built Opel and in 1976 began marketing a smaller Isuzu under the Opel name through its Buick dealers until 1979.

Isuzu motors is the result of the 1937 merger of Jidosha Kogyo with Toyko Gas and Electric to form Tokyo Jidosha Kogyo. T.G.E. had earlier, 1932-35, produced a car called the Chiyoda, mainly for the military.

The name Isuzu predated that

Continued on Page E-18

Mazda GLC sedan gets sporty
Mazda has added this Sport Sedan to its front-drive GLC lineup for 1983. The Sport package includes a five-speed manual transmission, 175/70SRX13 radial tires, tachometer, suspension modifications and special interior.

Mazda's popular RX-7 sports car returns for 1983 in three models — the S, GS and high-line GSL version. The GSL (shown) has standard four-wheel disk brakes, cruise control, power windows, rear window wiper/washer and six-speaker stereo radio and cassette deck with graphic equalizer.

Mazda upgrades GLC, adds '83 Sport Sedan

Mazda has honed its front-drive GLC models with several improvements for 1983, as well as adding a new Sport Sedan model to that line.

Other refinements have been made to the company's RX-7 sports car and its truck line. An all-new 626 series will bow later in the year.

The GLC Sport Sedan has many of the features of the Sport hatchback model, including front and rear anti-roll bars (no front bar on automatic transmission model) and tuned shock absorbers. Standard tires are 175/70SR13 steel-belted radials.

Other Sport Sedan features are special upholstery with accent stripes, "lounge-type" rear seats, tinted glass, halogen headlights, black trim, tachometer, sporty steering wheel and multiple-adjustment bucket seats.

Sport Sedan options include air conditioning, electric sliding moonroof, styled aluminum wheels and power door locks. Power steering is a new option for all '83 GLC models.

New grilles and rear lamps have been incorporated on all '83 GLC models. Hatchbacks have a two-fin design while sedans have a three-fin grille. Hatchback models now have black trim on the rear panel.

Under the hood, the '83 GLCs have a carburetor with a new feedback design for precise metering of the air/fuel mixture, and a radiator subtank that lengthens the coolant service interval.

Mazda said improved ride comfort in the GLC is a result of using softer rear trailing link bushings and fine-tuning the tension/compression ratio of the rear shock absorbers.

Improvements have also been made to reduce interior noise levels.

Refinements made to the RX-7 line for 1983 include a standard maintenance-free battery, improved seats, a redesigned temperature/ventilation control panel and standard pop-out sunroof and better sound systems for GS and GSL models.

Mazda's B-2000 Sundowner and B-2200 (diesel) pickup trucks benefit from a number of changes for 1983, including more sound insulation, a stronger air-conditioning unit, improved ride, a new heavy-duty alternator and standard P205/75R14 steel-belted radial tires.

Other detail improvements that are standard for '83 are remote fuel-filler door, standard maintenance-free battery, full wheel covers, black trim, dual side mirrors and tie-down bars that run the full length of the cargo bed.

Japanese auto industry post-war phenomenon —It's short on tradition, but long on vigor

Continued from Page E-16

merger, however. Both companies had built trucks to government standards with the Isuzu name since 1934. After the merger, the Isuzu name was retained and used in place of Chiyoda and Sumida, a car built from 1933-37 by Jidosha Kogyo.

Isuzu is related by merger to Datsun, as Jidosha Kogyo was formed in 1933 by the merger of Ishikawajima and Dat Automobile Mfg. Co. Dat became a division of Tobata Imono Co., which sold Dat's Osaka plant to Ishikawajima in 1933. Jidosha Seizo Co. was formed from the remainder of Dat and its name was changed to Nissan in 1934, as noted earlier.

In 1942, Hino Motors was spun off from Jidosha Kogyo as an independent truck maker and the remainder of the company was revamped as Isuzu Motors in 1949.

Trucks had been Isuzu's major business, but in 1953 Isuzu acquired a license to build the Hillman Minx. In 1961, it replaced the Minx with cars of its own design.

In the '70s, General Motors acquired an interest in Isuzu (now 34 percent) and after it quit importing its German-built Opel it began importing Isuzus into the U. S. and marketing them under the Opel name. The first Japanese Opels went on sale in the U. S. in 1976.

In 1981, Isuzu began marketing cars and trucks in the U. S. under its own name.

In late 1969, a new (to the U. S.) Japanese nameplate appeared, the Subaru. It was a front-wheel-drive car with aluminum engine and was not an overnight success. Subaru branched out into four-wheel-drive cars and station wagons and its sales have grown gradually through the '70s and it is now the fifth largest selling import in the U. S.

Subaru is built by Fuji Heavy Industries, which was formed after World War II out of Naka-Jima Aircraft Co. Fuji has been building Subaru cars since 1958.

In late 1970, two more nameplates joined the Japanese ranks in the U. S., Honda and Mazda. These two makes were particularly interesting because of the technology they brought to the U. S. market. Honda is the only car on the market powered by a stratified charge engine, and Mazda is the only car nameplate to successfully market a Wankel-powered car.

The Honda is built by Honda Motor Co., a relative latecomer to the automotive scene. Honda, of course, was better known for its motorcycles when in 1962 it began building cars.

The first Honda brought into the U. S. was the small 600 model, which carried a list price of $1,395.

Late in 1972, Honda grabbed the attention of Washington — and gained numerous champions in Congress and in the bureaucracy — by announcing that it could meet the tough 1975 exhaust emission standards without catalyst or afterburner with its new CVCC (Compound Vortex Controlled Combustion) engine.

The CVCC engine, which powered the Honda Civic, is a type of stratified charge engine. Its basic structure is the same as that of a conventional four-stroke engine, except that a small auxiliary combustion chamber around the spark plug and connected to the larger combustion chamber, is fitted to each cylinder. This auxiliary chamber has a small intake valve, in addition to the larger valve which feeds into the main chamber.

A small amount of rich mixture is supplied to the auxiliary chamber, while a large amount of very lean mixture is being fed into the main chamber. The overall mixture is very lean.

At the end of the compression stroke, there is a rich mixture around the spark plug, a moderate mixture at the connection of the auxiliary and main chambers and a lean mixture in the main chamber. Thus, the charge is stratified into three different conditions.

The rich charge around the spark plug is easily ignited and the burning of the moderate air-fuel mixture around the outlet of the auxiliary chamber insures combustion of the lean mixture in the main combustion chamber. The larger, lean mixture burns more slowly and keeps the temperature of the burnt gas relatively high for a longer duration, burning hydrocarbons and carbon monoxide, but the temperatures do not peak at levels which cause formation of nitrogen oxides.

The Honda Civic had a Beetle-like look to it — rather unpretentuous and even silly — and it was "good" environmentally. It also had a high level of quality — when Pontiac ran a quality study of the imports in the mid-'70s, it rated Honda first.

The result was that Honda climbed in the sales charts, particularly after introduction of the larger Accord, displacing Volkswagen in 1978 in the Number Three spot behind Toyota and Datsun.

• With the Mazda, Toyo Kogyo did what NSU-Prinz, Mercedes-Benz and mighty General Motors were unable to do—it developed a workable car powered by a Wankel-type rotory-piston engine.

Toyo Kogyo seems an unlikely company to beat the automotive giants in development of the Wankel. The company was originally involved with cork products, then started manufacturing three-wheel trucks in 1931. It did not produce cars until 1960.

Most of the early Mazdas were powered by four-cylinder engines. In 1967, it introduced a sports car powered by a twin-rotary Wankel engine capable of 120 MPH. The following year, a Wankel-powered sedan and coupe were added.

Mazda sales in the U. S. soared rapidly in the early '70s, but then collapsed after the Wankel engine was branded a gas-guzzler by EPA. Defenders of the Wankel say the label is unfair, because it compared Mazda rotary mileage with four-cylinder units of similar size. It should be compared with bigger engines, perhaps V-6s, they say, because its performance is comparable to larger powerplants. Indeed, performancewise, the Wankel is to a four as a V-8 is to a six.

After its disastrous U. S. sales slide in the mid-'70s, Mazda turned to more conventional engines. Introduction of its four-cylinder GLC started sales on a steep upward slope again and the line was spiced by introduction of the RX-7, a rotary-powered sports car which won high acclaim from the motor press.

Mazda is now firmly in fourth place behind Honda. Ford Motor Co. now owns 25 pct. of Toyo Kogyo, but Ford is not involved in the Mazda import operation.

• One of the first commercially manufactured Japanese cars was the Mitsubishi Model A, built from 1917 to 1921 and modeled after a Fiat of that period. After 1921 the company's plants were devoted to production of trucks, buses and, later, tanks.

In 1959, the company was reorganized as Mitsubishi Heavy Industries and began producing a small car powered by a two-cylinder engine. Mitsubishi later expanded its automotive offerings, including Jeeps, which it manufactured under license.

Mitsubishi entered the U. S. market in 1971—not as Mitsubishi, but as Chrysler Corp. Chrysler had purchased an interest (15 percent) in Mitsubishi and there was even talk of a merger of the firms. It began importing the Mitsubishi Colt in 1971 and marketed it under the Dodge name.

The Colt sold well for Chrysler and in later years it introduced other Mitsubishi cars and marketed them under Chrysler names—the Plymouth Arrow in 1976, the Plymouth Sapporo and Dodge Challenger in 1977 and the Plymouth Champ and Dodge Colt Hatchback in late 1978.

Mitsubishi is now setting up its own organization in the U. S. and will soon commence marketing cars under its own name. But they are different than the cars Chrysler Corp. is still selling.

So Mitsubishi will become the first importer to market its cars under its own name and another competing corporation's.

Currently, the top four imports in registrations are Japanese and five of the top six are.

In the first seven months of 1982, Japanese makers accounted for 78 percent of import sales in the U. S. (and imports accounted for 29 percent of all U. S. sales).

The Japanese assault on the U. S. import market which began in the late '60s was basically an assault on VW, which totally dominated that market. And it is true that total VW sales, domestic and import, do not come close now to Toyota, Datsun or Honda sales.

VW peaked in 1970, when it sold 582,569, still the highest total ever for an import in the U. S.

Toyota came within a hair in 1981, when it sold 582,204. If it were not for the restrictions on imports since then, Toyota probably would have beaten the record.

Nissan Motor Corp., U.S.A., has named Dixie Auto Transport Co., Jacksonville, Fla., its Carrier of the Year for 1981. At the award presentation, from left, are Dave F. Cowan, Dixie board chairman; Frank Jacobs, Nissan national transportation manager; Norman W. Collins, Dixie president, and Eugene Quinn, Nissan distributor director.

Mitsubishi appoints

WASHINGTON. — Mitsubishi Research Institute, Inc., has named Yoshio Osada chief representative, Washington liaison office. He succeeds Yukinori Okamoto, who is returning to Japan.

IMPORTED NEW-CAR SALES IN U. S. SINCE 1974

	1981	1980	1979	1978	1977	1976	1975	1974
Alfa Romeo	2,301	3,000	4,011	6,237	6,712	5,283	5,342	3,139
Audi	50,817	42,483	42,709	40,878	35,854	33,316	50,680	50,432
BMW	41,761	37,017	34,521	31,457	28,776	26,040	19,419	15,007
Capri	—	—	—	4,079	22,458	29,904	54,586	75,260
Challenger	12,690	12,924	14,166	17,649	1,832	—	—	—
Champ	42,126	55,474	48,860	28,296	47,345	30,430	—	—
Colt	42,796	50,689	62,705	44,570	70,679	48,542	60,356	42,925
Datsun	464,805	516,890	472,252	338,096	388,378	270,103	253,192	189,026
DeLorean	3,009	—	—	—	—	—	—	—
Ferrari	N.A.	779	679	617	N.A.	N.A.	N.A.	N.A.
Fiat	32,185	37,184	58,934	60,435	63,479	61,540	100,511	72,029
Fiesta	32,856	68,595	78,109	76,145	40,549	—	—	—
Honda	370,705	375,388	353,291	274,876	223,633	150,929	102,383	43,119
Isuzu	17,805	—	—	—	—	—	—	—
Jaguar	4,695	3,029	3,746	4,782	4,349	7,384	6,799	5,299
Lancia	1,068	2,100	1,602	2,811	5,500	—	—	—
Mazda	166,105	161,623	156,533	75,309	50,609	35,383	65,351	61,190
Mercedes-Benz	63,059	53,790	52,819	46,695	48,722	43,205	45,259	38,170
MG	3,712	13,730	26,025	26,656	34,794	28,436	27,946	25,015
Opel	—	—	13,815	19,222	29,067	10,483	39,730	59,279
Peugeot	16,937	12,930	11,688	9,061	10,002	9,497	11,850	7,948
Porsche	11,241	10,490	13,818	17,017	19,896	14,192	16,658	21,022
Renault	30,869	25,365	18,862	15,739	13,198	6,880	5,788	8,756
Rolls-Royce	781	942	1,002	1,109	N.A.	N.A.	N.A.	N.A.
Rover	—	481	—	—	—	—	—	—
Saab	14,613	13,558	15,142	15,662	13,120	9,866	13,732	13,589
Sapporo	13,326	10,263	12,322	12,777	1,406	—	—	—
Subaru	152,062	142,968	127,871	103,274	80,826	48,928	41,587	22,980
Toyota	576,491	582,204	507,816	441,800	493,048	346,920	283,909	238,135
Triumph	9,768	14,939	12,733	16,447	29,258	28,232	22,803	18,396
Volkswagen	82,173	90,923	125,100	216,709	260,704	201,670	267,730	334,515
Volvo	64,477	56,999	56,027	50,880	46,790	43,887	60,338	53,043
TOTAL	2,325,235	2,396,934	2,327,932	2,000,500	2,071,100	1,493,000	1,577,000	1,403,035

No sign of a setting sun

Japanese auto industry —good competitors or?

Continued from Page E-1

the yen to give Japanese companies an export advantage.

"Some people see Japan's comeback from World War II as an awesome achievement," says Iacocca. "But look how the Japanese government has manipulated markets and what it costs the Japanese worker to be that productive — he's not allowed to have a real union, he's paid far less than his American counterpart and he's forced to subjugate his lifestyle to his company."

Warns the Chrysler chairman: "What we face from Japan is a twofold threat to our industrial base. By manipulating the market and regimenting their workers, they're subverting our free enterprise system.

"We can stand by and let them take our markets away or we can tell them to knock off their unfair practices, or we'll be forced to retaliate to protect our industrial base," he says.

GM president F. James McDonald differs with Iacocca, saying, "I salute the Japanese as good allies and competitors. Wide cultural differences separate our two countries, but our commonalities far outweigh our differences. Japan and the U. S. share a commitment to political democracy and individual freedom, our two economies are based on private ownership and highly competitive market systems, and we share the most important bilateral trade relationship in the world."

Ford's Petersen: It's no mystery.

McDonald adds: "But I'm tired of hearing people say American industry should take a back seat to the Japanese. Japanese auto producers didn't discover creativity and innovation."

The Japanese themselves never claimed to be innovators, but do acknowledge that two shocking political events — the Korean War and the OPEC oil embargo — ignited their automotive rocket.

An economic boom, spurred by a surge in demand created by the Korean War and accelerated by a timely, economic expansion program by the Japanese government, created for the first time a consumer market for cars in Japan.

That in turn encouraged Japanese auto companies to introduce small, inexpensive cars to meet demand.

In 15 years from 1955 to 1970, car production jumped 150 times to more than 3 million units, and in 1968 car output topped truck and bus production in Japan for the first time in history.

During the 1960s, Japan's traditional car makers, Toyota, Nissan and Isuzu, were joined by Toyo Kogyo, Honda, Suzuki, Fuji, Mitsubishi and others who entered the auto market, building new mass-production facilities.

In the late 1960s and early 1970s, the Japanese auto industry decided to consolidate into larger, fewer firms and to promote cooperative ties with U. S. auto giants including ventures between Mitsubishi and Chrysler Corp., Toyo Kogyo and Ford, and Isuzu (and more recently Suzuki) and GM.

The West initially was disappointed with its first encounter with Japanese cars which were not oriented to highway performance. The 1973 OPEC oil embargo, however, created a demand for fuel-efficient small cars, and in 1974 Japan became the top exporter of cars in the world.

While most major markets became sluggish due to economic recessions, Japanese auto exports kept soaring into the 1980s, eventually provoking trade issues and conflicts. Whereas Japan's car makers over the years had been able to expand their overseas sales almost at will, they now faced a rising wave of protectionism.

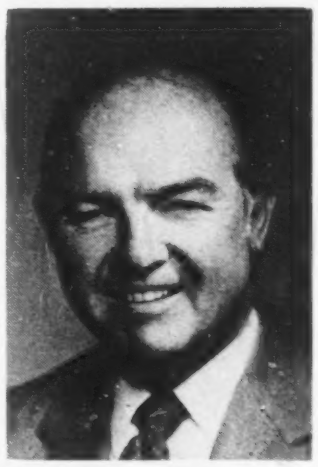
Last year Japan still was able to produce 11.1 million vehicles including 6.9 million cars, 4.1 million trucks and 100,000 buses. But today the Japanese economy is hit, like many elsewhere, with slack personal consumption, a decline in housing starts and a drop in capital expenditures by business and industry. This is hindering Japan's economic recovery, and is further aggravated by a weakening in exports, on which the U. S., Europe and even some Asian countries have put at least temporary ceilings.

Japanese government attempts to reduce a large budget deficit by raising taxes and cutting spending have resulted in an economy that is stagnated and without prospect of an early turnaround since none of the causes of the downturn is likely to change in the near term.

Noted economist Otto Eckstein, chairman of Data Resources Inc., nonetheless, forecasts that new-car registrations in Japan will climb 1.7 percent this year to 3.1 million and rise another 1.7 percent in 1983 to 3.2 million.

Japan's exports, according to Eckstein, will not collapse. Although car exports are running below a 3.9 million rate this year, down by 2.8 percent from 1981, Eckstein says that next year, with the world economy projected to show at least a moderate improvement, auto exports should rise 5.9 percent to 4.1 million units, although less than one-third of the 1983 rise is projected to enter the U. S.

There's the twist, notes Eckstein: "The enormous cost advantage which Japan enjoys over all other countries at current exchange rates would lead to a continuing rapidly rising share of world production, but other governments will not allow it to occur. Japan's gains will be confined to third markets; but they are small, many of them will continue to be very weak and Japan already is totally dominant there."



GM's McDonald: Good competitors.

Eckstein assumes that protectionism against Japanese products will worsen, dropping the nation's share of world car production from 31 percent in 1981 to below 30 percent in 1984. "The share of the Japanese industry in world production won't increase," he predicts. "Yet Japan's cost performance is so superior, particularly at current ridiculous exchange rates, that its share of world markets would rise very substantially if market forces were allowed to sway.

Chrysler's Iacocca: Forced to retaliate.

"While we don't project passage of import content legislation (in the U. S.) or even reciprocal treatment proposals, we do project, at the very least, an extension of voluntary agreements which limit Japanese exports to the U. S. and Western Europe."

The Japanese are still edgy about the possibility of content legislation in the U. S., which has been bandied about in Congress. Nissan Motor Mfg. Corp. U.S.A., subsidiary of the Japanese company, which expects to produce light trucks for the American market starting next August in Tennessee, says it may not be able to do so if domestic content legislation were passed.

According to Marvin T. Runyon, president of the Nissan subsidiary, domestic content of trucks made in Tennessee initially will be 38 percent and will rise gradually, and he contends that no domestic content legislation yet proposed is economically feasible.

Japan's view is that local content and export ceilings and other such measures are temporary blips that will fade away as health of the world economy is restored. Meanwhile, its auto makers are moving ahead with overseas projects — new business tie-ups and production facilities around the world — that will strengthen their positions in increasingly competitive international markets.

There is the proposed joint venture between GM and Toyota that would result in production of small cars in California. There is the deal by Toyota affiliate Daihatsu to produce cars jointly with Chrysler in Peru. There is the pact between Fuji and a Lisbon manufacturer to assemble Subarus in Portugal. There is Honda's launch of car assembly in Ohio next month.

None of these and similar ventures in themselves will light up the automotive world. But they indicate that Japan's sun is not yet ready to set.

JAPAN MOTOR VEHICLE EXPORTS

	CARS	TRUCKS	BUSES	TOTAL
1972	1,407,340	547,348	10,557	1,965,245
1973	1,450,884	606,013	10,659	2,067,556
1974	1,727,396	874,725	15,966	2,618,087
1975	1,827,286	833,672	16,654	2,677,612
1976	2,539,117	1,152,609	17,882	3,709,608
1977	2,958,879	1,369,917	24,021	4,352,817
1978	3,042,237	1,528,045	30,453	4,600,735
1979	3,101,990	1,423,930	36,861	4,562,781
1980	3,947,160	1,953,685	66,116	5,966,961
1981	3,946,542	2,017,521	84,384	6,048,447

Source: Japan Automobile Manufacturers Assn.

JAPAN MOTOR VEHICLE PRODUCTION

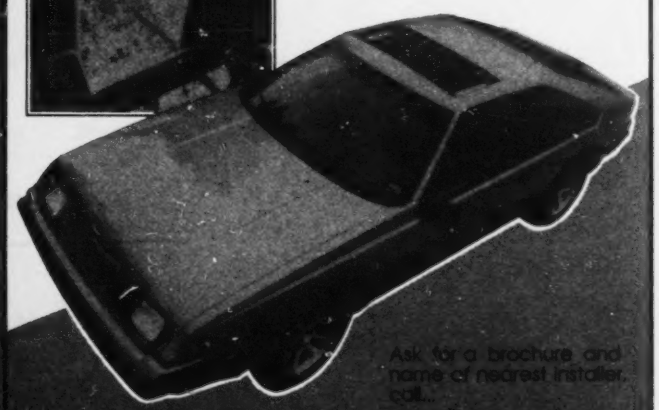
	CARS	TRUCKS	BUSES	TOTAL
1972	4,022,289	2,238,340	33,809	6,294,438
1973	4,470,550	2,570,916	41,291	7,082,757
1974	3,931,842	2,574,179	45,819	6,551,840
1975	4,567,854	2,337,632	36,105	6,941,591
1976	5,027,792	2,771,516	42,139	7,841,447
1977	5,431,045	3,034,981	48,496	8,514,522
1978	5,975,968	3,237,066	56,119	9,269,153
1979	6,175,771	3,397,214	62,561	9,635,546
1980	7,038,108	3,913,188	91,588	11,042,884
1981	6,974,131	4,102,996	102,835	11,179,962

Source: Japan Automobile Manufacturers Assn.

O-P-E-N W-I-D-E

With a SKY-TOP Power Moonroof On Your Toyota Celica

Enjoy your Yearound Moonroof with a wider view and less headroom loss. Two power-drive systems, two glass colors, but only one thin profile, *one high quality*. And SKY-TOP's wind deflector protects in all weather. Two sizes fit most cars, large or small. Add to your dealer profit with SKY-TOP!



Ask for a brochure and name of nearest installer. call...

ST Sky-Top

power moonroof

C2700-1 10/25/82

Automotive News®

October 25, 1982

© Entire contents copyright, 1982, by Crain Automotive Group, Inc. All rights reserved.
Reproduction or use of editorial content in any manner without permission is strictly prohibited.

58th year—$40 per year, $1.00 per copy

DeLorean dream in ruins; UK receivers pull plug

By Edward Lapham
Financial Editor

The DeLorean sports car enterprise lay in ruins last week.

The London-based receivers of the bankrupt Northern Ireland car-building unit decided to close the plant doors permanently.

John Z. DeLorean, progenitor of the enterprise, was languishing in a federal penal institution in California following his arrest on charges he tried to finance a $24 million cocaine and heroin deal.

Paul Shewell, one of the receivers of bankrupt DeLorean Motor Cars, Ltd. (1982) told AUTOMOTIVE NEWS the decision to end the DeLorean enterprise was not a hasty one.

"It was the culmination of several weeks of attempts to get assurances that what we regarded as the necessary working capital for the new venture was available, and not being able to get them," Shewell said.

John DeLorean had been trying for several months to raise $10 million in working capitul from new investors in the U. S. and to secure $25 million in export financing, in order to reacquire the plant.

Shewell said the receivers had been approached by three investor groups which expressed an interest in acquiring the works as a "going concern," but that by press time they had yet to determine if any of the expressions of interest were genuine. One such offer was known to have come from a New York auto parts concern.

He also said the receivers are preparing for liquidation, or sale by "break-up," of the plant, equipment and inventory.

DMCL (1982) owes the British government $34.0 million in secured loans and $17 million in unsecured debt. In addition, Shewell said, there are claims in excess of $51 million from other unsecured creditors, primarily suppliers.

"In the event of a sale by break-up, it is highly unlikely there will be any material assets for the unsecured creditors

Continued on Page 49, Col. 1

End of car line

In happier times

A triumphant John Z. DeLorean peers from underneath the gullwing door of the car he designed, parked in his Northern Ireland plant. Last Tuesday, the British government announced it was pulling the plug on the shuttered plant. Hours later, DeLorean was arrested in Los Angeles for allegedly conspiring in a $24 million cocaine deal—apparently in an attempt to save the car company. Photo history on Page 8.

Arrest overshadowed plant shutdown in UK

By Richard Feast
European Editor

BIRMINGHAM, England.—The shocking news of John DeLorean's arrest in Los Angeles eclipsed the announcement a few hours earlier that the DeLorean sports car factory in Belfast is to be closed.

The latter move was fully expected after the search by the official receivers dragged on for eight months without any tangible evidence of a qualified buyer for the assets coming forward.

The most likely source was John DeLorean himself, who as late as 6 p.m. last Monday—only four hours before the deadline set by Sir Kenneth Cork and Paul Shewell, the receivers—assured the BBC that the necessary financing would be in place in time.

On Tuesday, the Northern Ireland Office announced its decision to close the car plant. It was seen as the unfortunate, inevitable end to a very unsatisfactory episode.

The closing leaves about $50 million in debts to suppliers and a total deficit of around $110 million.

Ben Wilson, who represents creditors of the failed company, estimated that secured and preferential creditors will receive no more than 75 pence in the pound. He believed that around 20 companies, half in Northern Ireland and half in the UK, will go out of business as a result. Among them, they employ more than 2,000 people.

The Belfast company owes money to nearly 350 suppliers, some of which wrote off the debts when the receivers went in.

One company took the precaution of insuring itself against

Continued on Page 49, Col. 3

UAW polls Chrysler rank and file on whether to strike or negotiate

By Marjorie Sorge
Labor Editor

DETROIT. — The UAW will poll the rank and file to see if a strike against Chrysler Corp. is the will of the majority.

The referendum will be held tomorrow (Oct. 26) and the workers will decide whether to strike Nov. 1. The workers will decide whether to walk out Nov. 1 or to stay on the job and recess negotiations until after the first of the year.

Returning to the table will be a complicated situation since Chrysler has already told the union it simply has no more money to give its workers and would stick with the contract negotiated on Sept. 16.

That agreement gives workers three lump sum cost-of-living-adjustments (COLA) worth a total of 50 cents (if inflation runs at 6 percent) during its one year length. Also, wage increases are tied to Chrysler's profitability.

Thomas A. Miner, Chrysler vice president, industrial relations, said the company has no intention of making a settlement which raises the labor cost above the Sept. 16 agreement.

But, UAW President Douglas A. Fraser has said the union will not simply rearrange the rejected contract. He said the workers rejected that agreement soundly and any new pact must have upfront wage increases and COLA payments.

Miner said the company told the union in the last round of bargaining that cuts in health care costs could provide up front money, but the UAW rejected any methods of co-pays or deductibles in those programs.

"I don't think the UAW knowingly wants to damage Chrysler," he said. "But the reasonable thing to do would have been to take the agreement. The rank and file have proven they're unreasonable."

A strike in the U. S. against Chrysler would cost the company between $40 million and $45 million a week, Eisenberg said.

Some analysts have said Chrysler could withstand a short strike without permanent damage, because of high inventories

Continued on Page 54, Col. 1

breaking news

Air suspension to return on '84 Lincolns

DETROIT.—Air suspension will show up on 1984 Lincoln, Mark VII and Continental cars. The flexible air-filled containers, supplied by Goodyear's General Products Division, will be promoted as premium suspensions in the Ford Motor Co. luxury cars. A Goodyear spokesman predicts air springs will replace coil, leaf and torsion-bar suspensions on a "substantial number of cars" by 1990.

Riviera convertible to pace Indy 500

INDIANAPOLIS.—A Buick Riviera convertible has been selected as the pace car for the 1983 Indianapolis 500-mile race, which will be held May 29. The car will be powered by a twin-turbocharged 4.1-liter (251-CID) V-6 that will develop more than 350 HP. It will be the first convertible to pace the Indy 500 since a Cadillac Eldorado was chosen in 1973. The Riviera will be driven by Duke Nalon, former Indy 500 racer.

NEWSPAPER
AN JAN83
MD20814CNGLIAD DE INO9S 92001Z
ACQ EDITOR
CONGRESSIONAL INFO SERV
SUITE 800
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

Did Peck suppress dissent on air bags?

By Helen Kahn
Washington Bureau Chief

WASHINGTON. — A House subcommittee may be asking NHTSA head Raymond A. Peck whether he knew about or tried to suppress a staff document that disagrees sharply with what he told an appellate court was the earliest time auto makers could meet a passive-restraint standard.

NHTSA, under court order to assess capability to meet Standard 208 by '84 models, said that date was "impossible" and concluded that the '86 model year was the first "practical" effective date and even then there is "considerable doubt" whether "uniform compliance could easily be achieved by Sept. 1, 1985."

But last week, Rep. Tim Worth, Colorado Democrat and chairman of the House subcommittee overseeing NHTSA operations, sent a memo to its members suggesting taking a look after the election and after Peck's return from Japan to see whether any hanky-panky was involved.

The staff domument estimates that by '85 models, 85.3 percent of total production sold in the U. S. could comply and by '86 models 98 percent could comply. Only two models — Saab and Isuzu — would need longer, the document said. This is based on affidavits and letters filed by auto makers producing 96.9 percent of the cars sold in the U. S. — the same data base used by NHTSA — in a filing made by Peck, approved by NHTSA chief counsel Frank Berndt and accompanied by an affidavit filed by Courtney Price, NHTSA as-

Continued on Page 52, Col. 1

Product development chief raises hackles at ASBE meeting

Ford's Ross calls body engineers laggards on quality

By Al Fleming
Industry Editor

BLOOMFIELD HILLS, Mich. — The message delivered by a Ford Motor Co. executive vice president at an engineering convention here was about as welcome as a leaky windshield on a luxury car.

"An analysis of customer problems reported on U.S.-industry new cars indicates body engineers are not performing as well as other engineering groups," Louis R. Ross, head of Ford's car product development group, told the Oct. 14 annual convention and technical seminar of the American Society of Body Engineers (ASBE). The talk raised the hackles of many of the attendees, representing auto manufacturing and supplier companies.

Referring to the customer-problem report, Ross told the body engineers they must improve the quality and reliability of body systems because it is "equally if not more important than reducing product costs."

"Body engineers are not performing as well as other engineering groups," he said, adding that while significant improvement has been noted over several years, they are lagging behind other auto systems groups.

In delivering his zinger, Ross said that on an industry-wide basis, studies show improvements for body systems and engine components have climbed 11 percent over several years, compared with improvements of 22 percent in chassis areas, 43 percent in electrical and 70 percent in transmission systems.

• "This is particularly important to American body engineers, because body-systems problems constitute 50 to 60 percent of all customer problems experienced," Ross said.

He cited major problem areas as water leaks, window regulator and door mechanisms, squeaks and rattles, wind noise and fit and finish items.

"Improving body systems will prove more difficult than other components on the car due to the high dependence on operator ability and dedication. We're more people-dependent," Ross said.

Ross said automation will be a key to improved quality and reliability in auto-making plants, to make sure that "quality that's designed into vehicles will be built in at manufacturing and assembly plants."

He said Ford has 1,100 robots operating today and expects to have 5,000 to 7,000 by 1990.

"All of our new cars are being designed so the body shop can install at least 90 percent of the welds automatically," he said.

Ross called squeaks and rattles "a key customer annoyance problem which needs action," and he said Ford's '83-model cars are being evaluated at assembly plants via a new engineering test which has significantly reduced such problems.

Ross said a portable microcomputer called Unimet — used for checking electrical and air-conditioning systems of a car through a single connector to the cigaret-lighter socket—helped cut the company's electrical warranty cost about 30 percent during its first year of operation.

A new Unimet design is being developed and installed which allows detection of defects prior to vehicle completion, he said.

Ross told the ASBE group that Japanese cars enjoy a cost advantage of $1,500 to $2,200 per car, depending on the value of the yen, and added: "Of this deficiency, about $50 to $100 per car results from higher body-engineering costs to design, engineer, test and release American cars for production."

9-million '83 predicted by Nissan's King

CARSON, Calif. — C. P. (Chuck) King, senior sales vice president for Nissan U.S.A., believes new-car sales in the U. S. during the 1983 model year will reach nine million, a 17 percent improvement over the 1982 season.

But he said it would be "1985 at least before the industry returns to pre-recession sales levels."

King spoke at a preview of the 1983 Nissan and Datsun cars. His sales prediction calls for 6.5 million domestic cars and 2.5 million imports.

AUTOMOTIVE NEWS figures for the 1982 model year were 5,543,006 domestics and 2,157,693 imports for a total of 7,700,699. Thus, King's projections amount to an increase of 17.26 percent for U. S. cars and 15.86 percent for imported autos.

"It will be a slow trip back from this year's total sales of 7.7 million to the 11-million level of 1977," King said. "The recent strengthening of the stock market and lowering of interest rates signal some improvement, but nothing dramatic.

"A sustained economic recovery is not in the cards until the middle of 1983, when the GNP is expected to show some recognizable improvement."

King said his company has projected roughly a 10 percent improvement in sales of Nissan and Datsun cars and trucks in

Continued on Page 52, Col. 5

index

Auction reports	42
Classified advertising	43
Editorial page	12
Production by makes	54
Registrations, car, truck	6, 16, 20
Service highlights	14
Truck highlights	20

58th year — No. 4938

AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in April at 965 E. Jefferson Avenue, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 740 Rush Street, Chicago, IL 60611.

Avanti car works changes hands again

Arnold Altman, who with his late brother Nathan Altman and the late Leo Newman, acquired Avanti from Studebaker-Packard in 1964, and Stephen H. Blake held a press conference to announce the sale of Avanti to Blake. Altman will stay on as president. Blake becomes chief executive officer.

Blake outlines his plans; convertible due in 1984

New owner sees growth for Avanti

By Edward Lapham
Financial Editor

SOUTH BEND. — When Stephen H. Blake, new Avanti Motor Corp. owner and chief executive officer, approached New York and Chicago banks about a loan to acquire the company, he met with a lot of resistance.

"One banker even told me I had insulted his intelligence by asking for a loan to buy this place," Blake told AUTOMOTIVE NEWS. "That made me angry."

Blake, 38, was undeterred. For two years, he worked on putting together an acquisition package which culminated in the $5 million purchase of Avanti. He bought out the interest of several investors including Avanti President Arnold Altman, who with his late brother Nathan Altman and the late Leo Newman, acquired the rights, plant and tooling for Avanti in 1964 from the defunct Studebaker-Packard Corp.

Blake is not related to S. Prestley Blake, stockholder in the shuttered California specialty-car maker Clenet Coach-Coachworks.

When the big banks scoffed at Blake, he went elsewhere. South Bend's 1st Source Bank made a $2.5-million asset-based loan for the acquisition of the machinery, $1.875 million of which is guaranteed by the State of Indiana.

The bank also provided a "seven-figure" working capital line of credit and the City of South Bend has authority to issue up to $3.5 million in tax-free municipal bonds for Avanti expansion, if required.

Blake does want to expand output and sales of the Avanti II. This year, sales should reach about 200 but next year, he said, an additional 50 or 75 units are possible. "Studebaker used to build 15,000 units a year in this plant," he said.

The plant itself is more than 100 years old and once was used to produce wagons for the Civil War. The car is hand-made, with the exception of the General Motors 305-CID V-8 engine and 200 4R automatic transmission. The only real automation in the plant is the hand-operated overhead hoist used to mount drivetrains on the frame.

The Avanti II has a 1982 base price of $22,995.

Blake told AUTOMOTIVE NEWS he has some priorities. "The first place I went when I got here was to the engineering department," he said. "We are going to build an engineering department."

He said Avanti already is considering some minor product changes which will enhance performance, like four-wheel

Continued on Page 11, Col. 1

Paris III for '83

American Custom Coachworks, Beverly Hills, Calif., has introduced its 1983-model Paris III — a Cadillac stretched 4½ feet to accommodate such luxuries as hot and cold running water, electronic bar, TV with Betamax and Persian carpets. Prices start at about $65,000.

Chevy saves NFL ads for January makeups

By Joseph Bohn
Marketing Editor

WARREN, Mich. — Campbell-Ewald is saving about 25 percent of what it would have spent in NFL football—where it had six spots each Sunday for Chevrolet alone — for later in the season and games it hopes will be rescheduled.

"We have to have something to cover those games they're bringing back in," said Paul John, agency vice chairman and chief executive, referring to two games expected to be played in January if the strike ends in time to continue the season.

Chevrolet and other C-E clients have been holding their own with alternative sports programming. But, like other auto sponsors, they will begin feeling the pinch if the strike drags into November.

So far, Chevrolet's been covered by baseball playoffs and spots around the World Series. And it has college football on three networks — Turner, CBS and ABC — where the viewership has been high, the agency executive said.

But the really big games for auto sponsors are those in November, culminating around Thanksgiving Day.

"If things haven't changed by then, we've really got to do some noodling," John said. "You rely on pro football through December."

Chevrolet is scheduled for the Super Bowl for the first time this year, with Jan. 30 expected to remain as the date, because of prior reservations.

It won't back Ted Turner's all-star games.

"We backed Turner in almost all his other enterprises. We put up the seed money to make the bid to get the NCAA games," John observed. "But it's a decision on many people's part to stay out of this," because it could influence NFL strike negotiations.

• Chevrolet has been buying extra TV spots to make up some of the NFL loss. It can get the same reach with combinations of other programming, but not the same frequency, John added.

A combination of shows delivering the same number of desirable male prospects as an NFL game turns out to be cost-inefficient by comparison. And so Chevrolet is holding onto some of its money for later.

Chevrolet has a couple of unique situations on which the NFL strike could put a damper.

Short term, it is currently running a cooperative promotion with Eastern Airlines, offering free flights to car buyers.

An even greater concern is that this fall signals the start of Chevrolet's allout drive against the competition, imports in particular.

A couple of years ago, Chevrolet couldn't have gone out and convinced the public it was eyeball to eyeball with imports on technologically advanced products and quality. All the front-

Continued on Page 52, Col. 5

But August totals tops July count

New-car registrations trail 1981 by 13 pct.

By Jennie L. King
Staff Writer

U. S. new-car registrations were up some 1,000 units in August compared with the preceding month — a difference of 0.17 percent — but they plunged

Table on Page 16.

12.96 percent compared with August, 1981, and brought the year-to-date total to just over 5 million, down 13.27 percent from the first eight months of 1981.

According to figures compiled by R. L. Polk & Co., new-car registrations totaled 627,374 this August, up from 626,321 in July and down 12.96 percent from 720,804 a year earlier. Imports accounted for an any-month record share of the market: 34.16 percent, compared with 28.51 percent in August of 1981.

The August domestic total of 413,084 was down 2.42 percent from 423,319 in July, and down 19.84 percent from 515,297 the preceding August. The import total in August was 214,290, up 4.27 percent from 205,507 in 1981.

The registrations total through Aug. 31, 1982, was 5,031,804, down 13.27 percent from 5,801,537 last year. Domestic new cars registered during the first eight months numbered 3,534,482, down 14.11 percent from 4,115,206 in 1981. The import figure was 1,497,322, down 11.21 percent from 1,686,331 last year.

For the month, imported models and Ford Motor Co. passenger cars increased their shares of the market at the expense of American Motors, Chrysler Corp., miscellaneous domestics and General Motors, which lost 6.51 percentage points from its August, 1981, share. A year ago, GM had offered generous rebates on its products and had enjoyed healthy late-summer sales.

• This August, imports climbed 5.65 percentage points, to a record 34.16 percent from 28.51 percent last year, while Ford was up 2.07 percentage points, to 16.12 percent from 14.05 percent.

AMC dipped 0.35 percentage points, to 0.71 percent from 1.06 percent in 1981; Chrysler was off 0.85 percentage points, to 8.01 percent from 8.86 percent; miscellaneous domestics were off slightly, to 0.03 percent from 0.04 percent, and GM fell back to 40.97 percent from 47.48 percent.

In the domestics-only market, GM earned 62.22 percent in August, down from 66.42 percent last year; Ford had 24.49 percent compared with 19.64 percent; Chrysler had 12.16 percent compared with 12.39 percent; AMC had 1.08 percent compared with 1.49 percent, and miscellaneous domestics accounted for 0.05 percent compared with 0.06 percent a year earlier.

The market-class shares in August, 1982, were as follows: Imports were up to 34.16 percent from 28.51 percent a year ago; intermediates slipped to 20.08 percent from 20.11 percent; compacts dropped to 15.82 percent from 19.57 percent; subcompacts were down to 14.70 percent from 16.21 percent; standards dropped to 10.65 percent from 10.85 percent, and luxury models slipped to 4.59 percent from 4.75 percent.

Of the domestics alone, 30.50 percent were intermediates, 24.03 percent were compacts, 22.32 percent were subcompacts, 16.17 percent were standards and 6.98 percent were luxury models.

August new-car registrations included 214,290 imports, 125,933 intermediates, 99,254 compacts, 92,220 subcompacts, 66,811 standards and 28,806 luxury cars. A year earlier the numbers were: 205,507 imports, 144,961 intermediates, 141,026 compacts, 116,877 subcompacts, 78,220 intermediates and 334,213 luxury models.

During the first eight months of 1982, Ford Motor Co., the imports and miscellaneous domestic makes improved their standings compared with the first eight months of 1981. Ford was

Continued on Page 16, Col. 1

NEW-CAR MARKET SHARES IN U. S.

	AUGUST					EIGHT MONTHS				
	Regis., August, 1982	Percent Share of Market	Regis., August, 1981	Percent Share of Market	Pct. Pt. Change '82 vs. '81	Regis., 8 months, 1982	Percent Share of Market	Regis., 8 months, 1981	Percent Share of Market	Pct. Pt. Change '82 vs. '81
Chevrolet	94,765	15.11	130,033	18.04	− 2.93	801,915	15.94	996,719	17.18	− 1.24
Ford	71,548	11.40	71,621	9.94	+ 1.46	591,989	11.77	679,113	11.71	+ 0.06
Oldsmobile	55,481	8.84	74,773	10.38	− 0.54	493,395	9.81	568,690	9.80	+ 0.01
Buick	54,770	8.73	61,792	8.57	+ 0.16	449,948	8.94	481,597	8.30	+ 0.64
Pontiac	35,449	5.65	56,741	7.87	− 2.22	300,990	5.98	375,462	6.47	− 0.49
Mercury	23,885	3.81	25,760	3.57	+ 0.24	208,484	4.14	233,415	4.02	+ 0.12
Dodge	18,346	2.93	28,401	3.94	− 1.01	161,547	3.21	213,184	3.68	− 0.47
Plymouth	17,742	2.83	29,696	4.12	− 1.29	164,735	3.28	233,791	4.03	− 0.75
Cadillac	16,566	2.64	18,908	2.62	+ 0.02	146,702	2.92	138,883	2.40	+ 0.52
Chrysler	14,146	2.25	5,749	0.80	+ 1.45	105,827	2.10	63,937	1.10	+ 1.00
Lincoln	5,724	3.81	3,851	0.54	+ 0.37	50,907	1.01	39,668	0.68	+ 0.33
AMC	4,444	0.71	7,657	1.06	− 0.35	56,218	1.12	88,784	1.53	− 0.41
GENERAL MOTORS	257,031	40.97	342,247	47.48	− 6.51	2,192,950	43.58	2,561,351	44.15	− 0.57
FORD MOTOR CO.	101,157	16.12	101,232	14.05	+ 2.07	851,380	16.92	952,196	16.41	+ 0.51
CHRYSLER CORP.	50,234	8.01	63,846	8.86	− 0.85	432,109	8.59	510,912	8.81	− 0.22
AMERICAN MOTORS	4,444	0.71	7,657	1.06	− 0.35	56,218	1.12	88,784	1.53	− 0.41
IMPORTS	214,290	34.16	205,507	28.51	+ 5.65	1,497,322	29.75	1,686,331	29.07	+ 0.68
MISCELLANEOUS	218	0.03	315	0.04	− 0.01	1,825	0.04	1,963	0.03	+ 0.01
TOTAL	627,374		720,804			5,031,804		5,801,537		

Automotive News analysis of new-car registrations based on R. L. Polk & Co. statistical report.

"In times like these, Pennzoil's Follow-Up System helps us sell Fords."

ED BARTLETT
OWNER
SUN VALLEY FORD
CONCORD, CALIFORNIA

"We've proven to ourselves we have a better chance to sell a new Ford to a man or woman who stays with our service department. Pennzoil's Follow-Up System helps keep these people coming back!"

"Pennzoil helps keep our new car department in contact with the service department, so we know which customers are in for what service; which cars and trucks have hit 50,000 miles. This helps keep new cars and trucks moving!"

"Pennzoil helped us get the service increases that gained us Ford Motor Company's Gold Medallion Award. The whole Pennzoil operation is quality—not only their products, but their sales representatives as well!"

FOR DETAILS ON PENNZOIL'S FOLLOW-UP SYSTEM, WRITE: FRANK TURNER, SR., VICE PRESIDENT, PENNZOIL PRODUCTS COMPANY, PENNZOIL PL., P.O. BOX 2967, HOUSTON, TX 77001 • (713) 236-7878.

Supreme Quality
PENNZOIL
Safe Lubrication

Gift from Shepard

LAKE FOREST, Ill.—Chevrolet dealer George Shepard has donated funds to allow this village to purchase bulletproof vests for all its police officers.